



Message from the President

September 20, 2016

Once again I would like to take this opportunity to introduce myself. For those of you who are not familiar with me, my name is Douglas Miller and I am the President of The Bay Wind Field Inc. I have been a member of the board since it began in 2001 and have been President and Vice President in the past.

During our last AGM in 2015, I hinted that there was a possibility that Scotian Windfields Inc. (SWFI) may pay a dividend at the end of the year. I can tell you that this was well in the works up until their AGM held in October 2015. At that meeting, most of the Board of Directors were replaced and the new Board took a completely different tangent regarding the direction of the company. This action cost the SWFI a considerable financial penalty by the actions of this new Board not following commitments made by the previous Board. It remains to be seen what the final outcome will be for SWFI as many of the new directors seem to be very qualified and committed in making the company work well.

Another result of SWFI's and Scotian Wind Inc's. (SWI's) new directors is a widening of the relationship between the two companies. This is not necessarily a bad thing but we will have to wait and see what will be the final outcome.

SWI has recently opened a Community Economic Development Investment Fund (CEDIF) offering to raise financing for phase four of the remaining Community Feed-in Tariff (COMFIT) projects that have been awarded to SWFI and SWI.

In 2015 the Bay Wind Field tried to help SWFI qualify for COMFIT projects by initiating a Bay Wind Field Inc. offering. Twenty-Five (25) Bay Wind Shareholders in areas where SWI installed turbines would, at that time, qualify SWI for the COMFIT. Unfortunately, the COMFIT people decided that SWFI through SWI, should meet their requirement through their own CEDIF offering. This situation was only brought to our attention at the time our offering opened. SWFI, therefore, did not use our offering and in order to meet our offering commitment, we sold enough shares to cover our cost which was approximately \$3500. We have been talking to SWFI to see if they could share some of that cost that was essentially incurred for their benefit that, at the time, could eventually become a benefit to us.

Our five (5) year loans to SWFI and SWI (totaling \$175,000 @ 12%) is at this time covering our annual operation costs. The loans are repayable after five (5) years but may be converted into

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SWFI and SWI shares at a preset rate. The Bay has received two year's interest on these loans and the third is due at the end of December.

Renewable Energy Services Limited's (RESL's) project at Point Tupper continues producing electrical energy for Nova Scotia. It is also involved in other projects in Nova Scotia and Western Canada.

RESL is now in late stage development of its McLaughlin Wind Farm located in the Municipality District of Pincher Creek, Alberta. The project has been in RESL's portfolio of development assets since 2008. At their AGM in August this year, Larry LeBlanc, President of RESL, said that he expects the projects in western Canada will be producing revenue (ie: dividends) in 2018.

The project has interconnection to the grid for a capacity of 75MW and is developing the site in two phases of 60MW and 15MW respectively.

RESL is in the process of divesting itself of its test turbines that were installed between 2006 and 2008. These turbines had a capacity of 600 and 800 kilowatts.

The Municipality of Digby has purchased RESL's 800 kw Enercon turbine located at the towns watershed in Mount Pleasant along with its power purchase agreement (10 years remaining), leases, infrastructure and maintenance agreements. We wish the Municipality all the best in taking on this endeavour.

Once again, I would like you to know that The Bay Wind Field Inc. has been able to complete 2015's business at a low cost. The business cost was covered by income from our loans to SWFI and SWI.

Respectfully Submitted,

Original signed

Douglas Miller - President

The Bay Wind Field Inc.

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