



Graeme Davis, R.P.F.
Forester
County of Simcoe
1110 Highway 26 West
Midhurst ON L0L 1X0

17 December 2008

Dear Mr. Davis:

Anemos Energy Corporation is a Canadian wind energy project developer with projects under development in various jurisdictions throughout North America. Anemos Energy's vision is to develop smaller scale, environmentally responsible power generation projects which utilize renewable resources and produce zero greenhouse gas emissions while producing economic benefit to the communities which are selected for development.

Wind generated electricity has recently become more cost competitive with traditional forms of power generation, and the reduction in greenhouse gas emissions and other pollutants as a result of displacing fossil fuel generation with wind power is well documented. Strong evidence for these is demonstrated by the rapid growth in development of renewable energy generation (including wind) in Canada and the US during the past year.

To meet increasing demand for power within the province and to address the public's concerns for the environment, the Ontario government has identified development of new power generation from renewable resources, including wind energy, as one of its current priorities.

Anemos Energy has identified an area known locally as Cedar Ridge as a potentially suitable location for development of a small scale, low impact wind energy generation project which could help the province of Ontario achieve its' goals for renewable energy supply. The project will also benefit landowners through lease payments, the Township of Tiny and/or the County of Simcoe through generation of tax revenues, and the local community through creation of employment, construction and maintenance contract tendering, plus spending by individuals and businesses during all phases of the project.

Goals

We at Anemos Energy would like to share with you the following goals that help to guide the projects that we undertake:

1. Ensure that all relevant stakeholders are considered in the development process;
2. Include the local community in the development process to access all comments and suggestions for success;
3. Minimize impacts to the surrounding natural environment by thoughtful wind project design;
4. Provide as much benefit to the local community as possible in both the development and operation & maintenance phases of the project.

Proposed Development Site and Layout

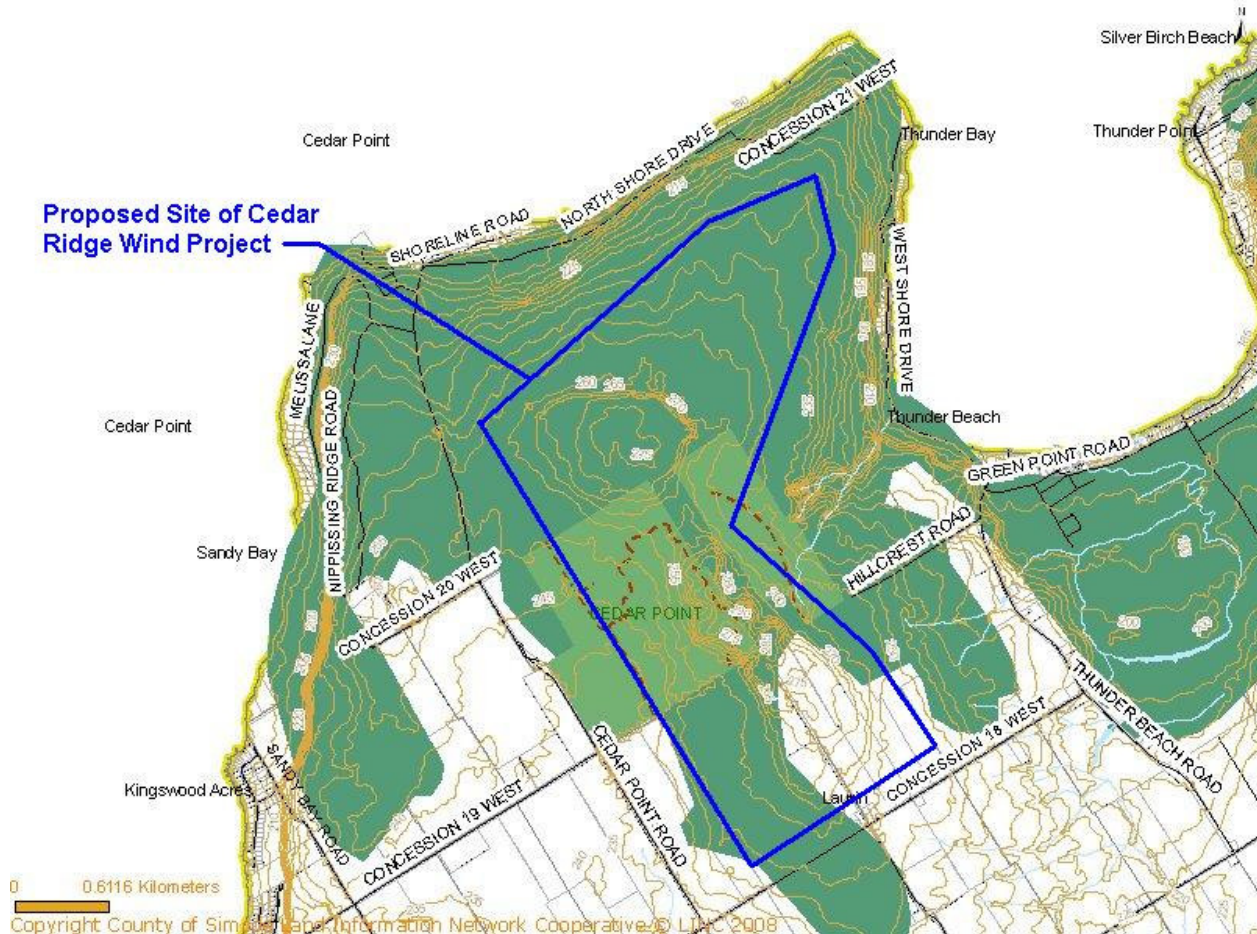
It is Anemos Energy's desire to work with the County of Simcoe to develop a small scale wind generation project in a mutually beneficial area. We are proposing a potential site for discussion to the southeast of the community of Cedar Point, west of Thunder Beach, and east of Cedar Point Road, which includes the portions of Lots 18 and 19, Concession 19, in the Township of Tiny, owned by the County of Simcoe. Specifically, we are interested in discussing PINs 58423-0116 and 58423-0122. The proposed project



ANEMOS ENERGY

Power for Generations

area is depicted on the map below which has been obtained from the County of Simcoe's Interactive Mapping web page.



The project would consist of three to six wind turbines rated at 1.5 to 3 megawatts capacity each, with a maximum project capacity of up to 10 MW. Each wind turbine would have a hub height of 80–90 meters and a rotor diameter of 80–100 m. Some of the wind turbines could be located on the land owned by the County of Simcoe. The land area occupied by the project will be limited to the footprint of each wind turbine tower base. Following construction, access to the project site would be restored to the same degree as currently provided.

Initial Process

After the delivery of this initial proposal to the County of Simcoe, we request that the appropriate officials and staff review it and provide feedback. We would like to receive the County's preliminary opinion on the suitability of the proposed project, including its location and size, and whether the County of Simcoe is interested in participating in the project as the owner of the properties specified above. This will indicate if further discussion is warranted. If the County of Simcoe is interested in discussing the project as a landowner following this informal deliberation, we will continue correspondence.



Development Process

Following initial discussions and after consensus has been reached regarding the proposed project site, it will be necessary, as part of the feasibility study process, to install a meteorological assessment tower at the site to measure and record atmospheric data for a minimum period of one year. Additional project development activities will take place concurrent with the data collection program. These activities will include community consultation, municipal planning approval and provincial/federal environmental permitting. These will be followed by engineering design of the project, construction contract tendering, and equipment procurement. Project construction will then commence and will take approximately four months to one year.

Rest assured that before any wind turbines are installed or construction begins, the project will undergo a rigorous environmental review, which will address such sensitive issues as social and wildlife impacts. In addition, consultations with the local community will be undertaken to assess and respond to stakeholder input.

Contractual Requirements

Since the proposed project site contains County owned and privately owned land, the financial and legal agreements that will be required will be between Anemos Energy and the County of Simcoe as well as the individual private landowners. Negotiation of appropriate long term contracts with the landowners will be necessary to ensure that the best interests of all parties are satisfied during the lifetime of the project. The contract will be in the form of a grant of easement. It will address such things as duration of occupation, financial compensation, exclusion of other wind turbine installations, access to wind turbines, etc. If the project proceeds beyond the feasibility assessment and permitting phase, a project holding company will be created and all assets associated with the project will be held by the project company. The electricity purchase agreement will be between the project company and the Ontario Power Authority.

In closing, we are optimistic about the development potential of the proposed site and the prospects for future collaboration with the County of Simcoe. However, we recognize that any wind project development must be approached cautiously and with full consideration of the concerns of the local community. I will contact you on Thursday of next week to answer any questions you may have and, if you are interested, to set up a time that we could talk again. In the meantime, please feel free to contact me by phone at 905-527-5598 or email at rparsons@anemosenergy.com if you have any questions or comments. In addition, I invite you to visit Anemos Energy's website at www.anemosenergy.com to learn more about us and wind energy.

Yours very truly,



Rob Parsons, MScEng, PEng.
President
Anemos Energy Corporation