



Dokie 1 Wind Farm

Summary of Partial Sale Transaction

December 2013



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ALTERRA: Dokie 1 Partial Sale

Transaction Summary

Assets Sold	Half of Alterra's 51% Interest (36.7 MW)
Purchaser	Fiera Axiom Western Energy (current partner)
Sales Proceeds	\$28,625,000
Earn-Out Payments	Additional \$750,000 per year if the project produces above the long-term projected output ("P50 output") in any of the next three years (maximum: \$2,250,000)
Retained Interest	36.7 MW
Dokie 1 Summary	<ul style="list-style-type: none">• 144 MW total capacity• Vestas 3.0MW V90 technology• 330 GWh annual output• 25-year PPA with BC Hydro• Began commercial ops in February 2011• Alterra continues as operator / administrator for the project• Turbine O&M by Vestas



Transaction Rationale

Source Low-Cost Capital for Higher Return Growth Projects

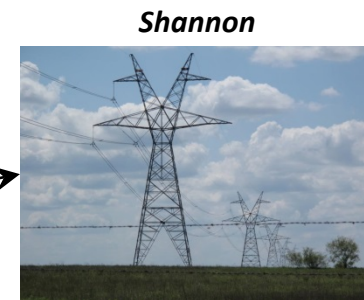
- Alterra is raising capital for two growth projects:
 - Jimmie Creek Hydro (62 MW)
 - Shannon Wind (200 MW)
- Final equity investment required by Alterra will be a function of:
 - Final project economics
 - Final percentage ownership to be held by Alterra, assuming Alterra brings in partners on the projects
- Likely minimum investments are \$15MM and \$20MM for Jimmie Creek and Shannon respectively
- Other likely cash sources for Alterra in 2014:
 - Holding company financing (\$50MM-\$100MM capacity)
 - Project cash flows
 - Revolving credit facility
 - Other minor asset sales

ALTERRA: Dokie 1 Partial Sale

Accretion to Alterra Shareholders

Redeployment of Proceeds into Alterra's Growth Projects is Accretive to Shareholders

- Opportunity cost of capital for Dokie 1 sales proceeds is lower vs. the rate of return for Alterra's growth projects (subject to interest rate risk and other typical pre-closing risks)
- Redeploying the sales proceeds should result in a proportionally greater amount of revenue, EBITDA, cash flow to equity, and owned generation capacity attributed to Alterra
- **Accretion is generally 30%-70% under Alterra's current base case projections when funds are redeployed in Jimmie Creek Hydro and Shannon Wind**



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Growth Project Summaries (final project attributes subject to typical project closing risks)

Jimmie Creek Hydro

- **Project Size:** 62MW
- **Location:** adjacent to Alterra's existing Toba Montrose project
- **Target COD:** September 2016
- **Technology:** Two vertical axis 31MW 6-nozzle Pelton turbines
- **Generation:** ~175 GWh/year
- **Power Sales:** 40-year PPA with BC Hydro
- **Permitting:** Environmental Assessment Certificate, Water License and all material permitting required to start construction complete
- **Contractors:** All key contractors fully engaged and/or under limited notice to proceed



Shannon Wind

- **Project Size:** 200.6MW
- **Location:** Northern Texas (Clay Co.), 5 miles southeast of Windthorst, TX
- **Target COD:** July 2015
- **Technology:** in late-stage negotiations
- **Generation:** ~780 GWh/year
- **Power Sales:** Long-term power hedge with investment grade financial counterparty
- **Renewable Energy Credits ("RECs"):** Project will receive one REC per MWh produced
- **Production Tax Credits ("PTCs"):** Project will qualify for the 2013 US PTC which provides a tax credit of \$23 per MWh produced
- **Permitting:** All material permitting required to start construction complete
- **Construction:** Full-wrap EPC in late-stage process; on-site construction has begun (photos as of December 2013) plus select equipment manufacturing



