



**Statement from Gilbert Bennett, Vice President, Lower Churchill Project
Update on the industrial incident investigation at the Muskrat Falls site**

June 3, 2016, St. John's, NL— Late on the night of Sunday, May 29, a significant industrial incident occurred at the Muskrat Falls generation site in Labrador while Astaldi Canada was placing concrete at one of the draft tubes in the powerhouse. There were no serious injuries as a result of that incident.

The safety of our workforce is paramount in all of our activities on the Lower Churchill Project, and continues to be at the forefront as we investigate this incident.

As is the case with all incidents of this nature, Occupational Health and Safety Division (OHS) is investigating the incident in addition to the concurrent investigations being undertaken by Astaldi Canada and the Lower Churchill Project team. We are working closely with OHS to ensure that all necessary actions to understand the root cause of the incident and to provide for the safety of the workforce have taken place prior to restarting work in this area. Work on the draft tubes will only resume when it is deemed safe to do so.

Project activities are continuing in other unaffected areas at the Muskrat Falls site while we complete this investigation.

In addition to the root cause investigation, planning is also underway for remediation and repair of unit #2 draft tube in conjunction with the overall plan for powerhouse concrete placement. There are many factors that will be considered during this work and it is not possible to determine the schedule impact to the project at this time. We are working closely with Astaldi to minimize overall project impacts.

The investigation into this incident has the full attention of Nalcor Energy and the Lower Churchill Project team. We are committed to ensuring a safe work environment for each and every member of the Muskrat Falls Project workforce and ensuring they go home safely at the end of each day.

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