



Media statement from Nalcor CEO Stan Marshall regarding Astaldi's work on the Muskrat Falls Project

October 18, 2018, St. John's, NL– Nalcor Energy has been closely monitoring the financial situation with Astaldi Canada Inc. (Astaldi). Given Astaldi's inability to continue to pay its workers, Nalcor has directed Astaldi to stop work. We are taking this action to minimize the financial harm placed upon the workers by Astaldi.

Our immediate priority is to make arrangements for Astaldi's approximately 500 workers living at the Muskrat Falls site in Labrador to return home in a safe and orderly fashion. Nalcor is coordinating the return home of Astaldi's workers. Also Astaldi's Surety has directed payment of funds to the Resource Development Trades Council (RDTC) in relation to Astaldi's obligations to the workers' pensions and benefits plan. We understand this is a challenging situation for workers and will continue to work with the RDTC to address their outstanding concerns.

We express our gratitude to the workers for their continued hard work and contributions. Their dedication has significantly progressed the work on the Muskrat Falls generation project.

Nalcor has recently notified Astaldi that all of the funds the contractor is currently eligible to earn under its contracts have been paid. Astaldi has been paid for all of the work they have completed to date on the powerhouse, intake and spillway for the Muskrat Falls Project.

Today's action will not have any impact to the ongoing work activities of the other contractors and workers on site and their work will continue as planned. Work is focused on ensuring we meet the critical path for first power as planned in 2019.

Nalcor has financial insurance and securities in place that provide us with the necessary financial protections. We have also been working on a contingency plan to finish the work should Astaldi be unable to complete its remaining scope of work. We remain committed to have first power from the project in 2019 with full power in 2020. Our goal is to finish this project strong and we're ensuring that we have everything in place to do this.

We will continue to provide updates as the situation progresses.

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