

COMMITMENT LETTER

To: The Corporation of the Township of Edwardsburgh Cardinal (the “Township”)

From: Ventnor Energy Storage LP (the “Proponent”)

BACKGROUND:

(A) The Province of Ontario is entering into a period of significant electricity need and has directed the Independent Electricity System Operator (the “**IESO**”) to procure the electricity resources to meet these needs;

(B) To procure such electricity resources the IESO is administering a number of price competitive request for proposals, including the IESO Request for Proposals for the Procurement of Long-Term Electricity Reliability (the “**LT1 RFP**”) with an expected proposal submission date of December 12, 2023;

(C) The Proponent is developing the Ventnor Battery Energy Storage Project (the “**Project**”) in the Township, with a contract capacity of up to 300 megawatts (“**MW**”) for the purposes of submitting a proposal for the Project into the LT1 RFP (the “**Proposal**”);

(D) If the Proposal is successful in the LT1 RFP, it is contemplated that the Project will be awarded and will enter into a 20-year power purchase agreement with the IESO (the “**PPA**”);

(E) As part of the development of the Project, the Proponent has consulted with the Township, has held a public community meeting and will be making a further delegation to the Township to request, from the Township’s council, a municipal support confirmation in the IESO prescribed form (the “**MSC**”) for the purposes of including the MSC in the Proponent’s Proposal to the LT1 RFP;

(F) The Proponent has communicated to the Township that if the Project is awarded a PPA that is subsequently executed by the Proponent and the Project reaches commercial operations in accordance with the terms and conditions outlined below the Proponent will establish a community benefit fund in relation to the Project, which will provide funding to the Township to be used for community purposes.

In respect to the foregoing and in accordance with the terms and conditions contained in this Commitment Letter the Proponent agrees and commits to the Township as follows:

1. If: (a) the Proponent is awarded and executes a PPA pursuant to the LT1 RFP, and (b) the Project is constructed and reaches commercial operations in accordance with the PPA, then during each year of operations of the Project pursuant to the PPA, the Proponent will provide annual funding to the Township, for community benefit purposes, in the amount of One Thousand Dollars (\$1,000.00 CDN) per MW of contract capacity of the Project.

2. It is contemplated that, if the Proponent is awarded and executes a PPA pursuant to the LT1 RFP, during the municipal permitting process in respect of the Project with the Township, the parties will negotiate and execute a definitive community benefit agreement (the “**Community Benefit Agreement**”) and that such Community Benefit Agreement will incorporate the payment obligations and terms and conditions provided herein and such other terms as are mutually agreed upon by the Parties (i.e. parameters with spending and allocation of community vibrancy fund) and will replace this Commitment Letter, which shall then terminate and no longer have any effect for the Proponent, and the Proponent will no longer have any obligations and will be released from all of its obligations in connection with this Commitment Letter. Until such time as the Community Benefit Agreement is in effect, this Commitment Letter will remain binding and in effect, subject to and in accordance with the terms and conditions contained herein.

3. For certainty, the Proponent shall have no obligations, commitments or agreements with the Township pursuant to this Commitment Letter, including without limitation any payment obligations, and this Commitment Letter will automatically terminate and be of no force and effect if:

- (a) the Proponent determines, in its sole discretion and for any reason, to not submit a Proposal into the LT1 RFP, including without limitation if a MSC is not provided by the Township for the Project prior to December 12, 2023;
- (b) the Project is not selected by the IESO pursuant to the LT1 RFP and the Proponent is not awarded a PPA;
- (c) the Proponent, for any reason, does not enter into a PPA pursuant to the LT1 RFP; or
- (d) the Project, for any reason, does not reach commercial operations in accordance with the PPA.

Dated this 23rd day of November 2023

VENTNOR ENERGY STORAGE LP,
represented by its general partner,
1000671560 ONTARIO INC.

Per: Jonathan Sandler

Name: Jonathan Sandler

Title: President