



NEWS RELEASE FOR IMMEDIATE DISTRIBUTION

Bala Falls Update:

MOE Minister upholds earlier approval of Environmental Assessment for North Bala Small Hydro Project

January 28, 2013 – The Hon. James Bradley, MPP, Minister of Environment (MOE), issued a decision late on January 23rd, upholding MOE Director Agatha Garcia-Wright's September 2012 decision.

Garcia-Wright's September decision denied all elevation requests and noted that no further study was required for Swift River Energy Limited's Environmental Screening Review Report Addendum for the Crown Land Only Option.

In the January 23rd letter, Minister Bradley's states that he is satisfied that "the issues and concerns have been addressed by the work done to date by Swift River Energy Limited" and that Swift River "can now proceed with the Project". He also notes that his "decision is final".

Swift River is pleased with the announcement and appreciates the thoroughness of MOE's review. Swift River takes its responsibilities with respect to the environmental concerns of the site seriously.

Swift River's project manager Karen McGhee reflects "This has been a very long process for Swift River that started with us being one of four parties to submit an Expression of Interest to the Ministry of Natural Resources (MNR) in 2004. We are very excited to be moving forward through the next phase of the project and working toward breaking ground later this year."

Swift River President Anthony Zwig notes "It is our belief that this project will provide significant economic benefits to the small town of Bala both during construction and operations. We look forward to working with the community and to making this a successful project for all."

About the North Bala Small Hydro Project

The North Bala Small Hydro Project is one of the first projects awarded under Ontario's crown land release program for renewable energy in 2005. In late 2011 Swift River made the difficult decision to abandon its plan to build the project on municipally owned land and pursue a plan to utilize the adjacent crown land only. This change resulted in an Addendum to the 2009 Environmental Screening Review Report being filed in May 2012.

The project will be located at the site of an abandoned waterpower project, adjacent to the existing MNR North Bala Dam in Bala, Ontario. It will be operated in accordance with the current Muskoka River Water Management Plan.

The Project was awarded a Feed-in Tariff contract by the Ontario Power Authority in 2010 as part of the Green Energy Act. The Green Energy Act is the largest green house gas reduction initiative in North America at this time.

It is estimated that the Bala project will offset an estimated 20,000 tonnes of CO₂ per year for the 50+ year life span. That's equal to removing 3,800 cars & light trucks from the road each year of the project life.

The Project is expected to increase local spending in the District of Muskoka by \$10.8 million over the 12-18 month construction period and many Bala businesses have indicated they can provide both products and services needed during construction.

About Swift River Energy Limited

Swift River Energy Limited is a 100% Canadian owned company with a mandate to develop small, low-impact, run-of-the-river waterpower facilities. It was selected by the Ministry of Natural Resources in 2005 to design and construct the North Bala Falls Small Hydro Project, which originated from provincial policy aimed at developing new clean, renewable, 'green' sources of power generation. Such projects help reduce Ontario's dependence on dirty, coal-fired sources of electricity production.

For more information, please contact:

Karen McGhee, P.Eng., Project Manager for Swift River Energy Limited

Office: 905-331-9692

Email: balafalls@m-k-e.ca; Website: www.balafalls.ca