

MLBMS

Muriel Lake Basin Management Society

3221 130A Ave, Edmonton AB, T5A 3B6

www.muriellake.com



September 6, 2012

Bonavista Energy Corporation
1500, 525 - 8 Ave. SW
Calgary, Ab T2P 1G1

Dear Sirs:

RE: LiDAR Mapping of the Muriel Lake Drainage Basin

Your Corporation, no doubt is aware that Muriel Lake's water level has been in decline and is continuing to do so. The lake reached its peak level in the mid 1970's at 560.4 meters above sea level and at today's date is sitting at 555.8 meters. This equals a decline in lake level of some 4.6 meters. The loss represents over half of the lake's volume (250 million cubic meters.) and the deepest areas of the lake are now only 15 feet deep. This is certainly not conducive to a healthy lake environment.

We are fast approaching an unprecedented forty years of the lake's decline. In 2006, Dr. William Donahue of the University of Alberta, reported that Muriel Lake had never been this low, a conclusion he was able to reach through his comprehensive study of Muriel Lake. His research stretched back to include a consideration of data from as long ago as 1885.

In June 2011, members of the Muriel Lake Basin Management Society met with Mr. Bill Betts of Pengrowth Energy, primarily to find out whether water from their North Saskatchewan River pipeline could be diverted into Garnier Lake which would then flow through Muriel Creek and ultimately replace lost water in Muriel Lake. We have been advised that the *Water Act* prohibits the transfer of water between basins and as such, this is not a viable solution to replacing Muriel Lake's water loss. Our meeting with Pengrowth Energy was fruitful however, as Mr Bill Betts did agree that Pengrowth Energy would sponsor a report geared towards giving insight and direction into identifying reasons for the loss of water in Muriel Lake. Pengrowth Energy commissioned Millennium EMS Solutions Ltd and Northwest Hydraulic Consultants Ltd to review Muriel Lake's hydrology. The report was completed in July 2012, a copy of which is enclosed for your information.

One major component of the report highlights LiDAR topography which would provide valuable information about the drainage pattern of the basin. This is very expensive and is out of the price range for our Society as we are a not-for-profit Society currently seeking charitable status.

Pengrowth Energy has graciously offered to share their LiDAR mapping for their lease area of the drainage basin. Would your Company be willing to share your LiDAR mapping for your lease area with us? It would be much appreciated if your Company would offer similar data.

Your consideration to this request would be greatly appreciated. Our desire is to have a healthy vibrant lake that all can enjoy. I am sure your objectives are the same. Providing the LiDAR data would go a long way in helping us to ensure this end is achieved. If you have any questions of concerns regarding this request please do not hesitate to contact me at lisenden@telus.net.

Sincerely,

Lyall Kortzman,
President Muriel Lake Basin Management Society
www.muriellake.com

cc; Pengrowth Energy Corporation,
2100, 222 3 Ave. SW,
Calgary, Ab. T2P 0B4