

November 2, 2012

Subject: **Announcement  
Tidal Energy Investigative License Applications  
Discovery Passage South and Seymour Narrows**

SRM Projects Ltd. has applied for *investigative* licenses for the purpose of determining the potential for future tidal power projects in south Discovery Passage and Seymour Narrows. Engagement of First Nations and community along with referrals to other agencies having jurisdiction are now underway.

Tidal energy is a new and emerging source of power, unproven and yet to be commercialized. We in BC have a significant potential tidal energy resource based on past studies, much of it around Vancouver Island. If we can successfully harness our tidal energy resource in an environmentally friendly manner, we can add another clean energy source to the BC power portfolio and create construction and maintenance jobs, helping to offset declines in traditional resource industries like forestry and fishing. While the cost of developing tidal power today is typically three or more times that of hydro or wind power, industry expects these costs will come down during the next decade, eventually making it a more economical source of electricity. See [www.marinerenewables.ca](http://www.marinerenewables.ca) and [www.ocean-energy-systems.org/](http://www.ocean-energy-systems.org/) for general information about ocean energy.

SRM Projects proposes to investigate what tidal energy is realistically available at each site, what environmental and stakeholder values are important in the areas and confirm if future tidal power projects are viable. The proposed investigative activities include more detailed tidal modeling of the sites, deployment of instruments on the ocean bottom to record current speeds, examining the sites to determine what species inhabit the area and the terrain features as well as consulting with stakeholders to determine cultural, commercial and recreational values and gauge community support. The Investigative Plans, filed with the Ministry of Forests, Lands and Natural Resource Operations, provides more details on the proposed investigative activities. The investigative activities are expected to take up to five years to complete.

If the preliminary resource assessments are correct, it may be possible to generate commercial power in the proposed investigative areas without noticeable impacts. If this is confirmed and the cost of tidal power generation equipment has indeed reduced, power project(s) could be viable in the future. If so, new, formal application(s) for long term land tenure, for the purposes of constructing tidal power project(s), may be initiated.

SRM Projects intends to act as facilitator during the investigative process and any further project development, confirming if a viable opportunity exists and if so work with stakeholders and interested partners to create phased, responsibly developed tidal energy project(s) that benefit First Nations, partners and surrounding communities, minimize environmental impacts and generate clean power for BC.

We are seeking support from the community for the investigative activities proposed and intend to address questions and concerns to earn this. An open house meeting will be held in Campbell River on November 22, 2012 to provide interested parties with information about the proposed investigative activities. The meeting will be held between 7:00pm and 8:30pm in the Rivercorp boardroom, 900 Alder Street, Campbell River, and will begin with a slideshow presentation.

More information about the investigative sites and tidal power generation, including answers to questions and web-links to current tidal energy knowledge centers, will be posted on the SRM Projects website ([www.srmprojects.ca](http://www.srmprojects.ca)).

Contact:

Scot Merriam, P.Eng.  
Principal