

ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT is dated as of the 24th day of August, 2011.

BETWEEN:

Orca Wind Power Corp., a corporation incorporated under the laws of the Province of British Columbia (“**OWP**”)

AND

NU2U Resources Corp., a corporation incorporated under the laws of the Province of British Columbia and the subsidiary of OWP (“**NU2U**”)

WHEREAS the Parties hereto intend to carry out the transactions contemplated herein by way of an arrangement under the provisions of the *Business Corporations Act* (British Columbia), on the terms and conditions set for in this Agreement;

NOW THEREFORE, in consideration of the covenants and agreements hereinafter contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto do hereby covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following defined terms have the meanings hereinafter set forth:

- (a) “**Agreement**”, “**herein**”, “**hereof**”, “**hereto**”, “**hereunder**” and similar expressions mean and refer to this arrangement agreement (including the schedules hereto) as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof;
- (b) “**Applicable Laws**” means all applicable corporate laws, rules of applicable stock exchanges and applicable securities laws, including the rules, regulations, notices, instruments, blanket orders and policies of the securities regulatory authorities in Canada;
- (c) “**Arrangement**” means the arrangement pursuant to Section 288 of the BCBCA set forth in the Plan of Arrangement;
- (d) “**Arrangement Provisions**” means Part 9, Division 5 of the BCBCA;
- (e) “**Arrangement Resolution**” means the special resolution in respect to the Arrangement and other related matters to be considered at the OWP Meeting;

- (f) “**Articles of Arrangement**” means the articles of arrangement in respect of the Arrangement required under Subsection 294(3) of the BCBCA to be sent to the Registrar after the Final Order has been granted, giving effect to the Arrangement;
- (g) “**Assets**” means the assets of OWP to be transferred to NU2U pursuant to the Arrangement, as more particularly described in Schedule B attached hereto and forming part of this Agreement;
- (h) “**BCBCA**” means the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended, including the regulations promulgated thereunder;
- (i) “**Business Day**” means a day other than a Saturday, Sunday or statutory holiday in the City of Vancouver, British Columbia;
- (j) “**Computershare**” means Computershare Investor Services Inc., the transfer agent for OWP;
- (k) “**Court**” means the Supreme Court of British Columbia;
- (l) “**Dissenting Shareholder**” means an OWP Shareholder who validly exercises rights of dissent under the Arrangement and who will be entitled to be paid fair value for his, her or its OWP Shares in accordance with the Interim Order and the Plan of Arrangement;
- (m) “**Dissenting Shares**” means the OWP Shares in respect of which Dissenting Shareholders have exercised a right of dissent;
- (n) “**Effective Date**” means the date the Arrangement becomes effective under the BCBCA;
- (o) “**Final Order**” means the order of the Court approving the Arrangement, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (p) “**GAAP**” means generally accepted accounting principles in effect in Canada at the relevant time, including the accounting recommendations in the Handbook of the Canadian Institute of Chartered Accountants;
- (q) “**Information Circular**” means the management proxy circular of OWP to be sent by OWP to the OWP Shareholders in connection with the OWP Meeting;
- (r) “**Interim Order**” means an interim order of the Court concerning the Arrangement in respect of OWP, containing declarations and directions with respect to the Arrangement and the holding of the OWP Meeting, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (s) “**New Shares**” means the new class of common shares without par value which OWP will create pursuant to §3.1 of the Plan of Arrangement and which, immediately after the Effective Date, will be identical in every relevant respect to the OWP Shares;
- (t) “**Notice of Meeting**” means the notice of special meeting of the OWP Shareholders in respect of the OWP Meeting;
- (u) “**NU2U**” means NU2U Resources Corp., a private company incorporated under the BCBCA;
- (v) “**NU2U Board**” means the board of directors of NU2U;
- (w) “**NU2U Shareholder**” means a holder of NU2U Shares;

- (x) “**NU2U Shares**” means the common shares without par value in the authorized share structure of NU2U, as constituted on the date of this Agreement;
- (y) “**OWP**” means Orca Wind Power Corp.;
- (z) “**OWP Board**” means the board of directors of OWP;
- (aa) “**OWP Class B Shares**” means the renamed and redesignated OWP Shares as described in §3.1 of the Plan of Arrangement;
- (bb) “**OWP Preferred Shares**” means the preferred shares without par value which OWP will create and issue pursuant to §3.1 of the Plan of Arrangement;
- (cc) “**OWP Meeting**” means the special meeting of the OWP Shareholders to be held on September 29, 2011, or such later date as may be deemed advisable by the OWP Board, and any adjournment(s) or postponement(s) thereof;
- (dd) “**OWP Shares**” means the common shares without par value in the authorized share capital of OWP, as constituted on the date of this Agreement;
- (ee) “**OWP Shareholders**” means the holders from time to time of OWP Shares;
- (ff) “**Parties**” means NU2U and OWP; and “**Party**” means any one of them;
- (gg) “**Person**” means an individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;
- (hh) “**Plan of Arrangement**” means the plan of arrangement substantially in the form set out in Schedule A to this Agreement, as amended or supplemented from time to time in accordance with Article 6 thereof and Article 7 hereof;
- (ii) “**Registrar**” means the Registrar of Companies for the Province of British Columbia duly appointed under the BCBCA;
- (jj) “**Registered Shareholder**” means a registered holder of OWP Shares as recorded in the shareholder register of OWP maintained by Computershare;
- (kk) “**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, all as amended from time to time;

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and subsections is for convenience of reference only and does not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “herein” and “hereunder” and similar expressions refer to this Agreement (including Schedules A to F hereto) and not to any particular article, section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

1.3 Number, etc.

Words importing the singular number include the plural and vice versa, words importing the use of any gender include all genders, and words importing persons include firms and corporations and vice versa.

1.4 Date for Any Action

If any date on which any action is required to be taken hereunder by any of the Parties falls on a day that is not a Business Day, such action is required to be taken on the next succeeding day which is a Business Day.

1.5 Entire Agreement

This Agreement, together with the agreements and documents herein and therein referred to, constitute the entire agreement among the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties with respect to the subject matter hereof.

1.6 Currency

All references to currency in this Agreement are to Canadian dollars.

1.7 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under Canadian generally accepted accounting principles and all determinations of an accounting nature are required to be made shall be made in a manner consistent with Canadian generally accepted accounting principles.

1.8 References to Legislation

References in this Agreement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

1.9 Enforceability

All representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief and general principles of equity).

1.10 Schedules

The following schedules attached hereto are incorporated into and form an integral part of this Agreement:

Schedule A – Plan of Arrangement
Schedule B – Assets

ARTICLE 2
THE ARRANGEMENT

2.1 Plan of Arrangement

If deemed advisable, OWP and NU2U will forthwith jointly file, proceed with and diligently prosecute an application for an Interim Order providing for, among other things, the calling and holding of the OWP Meeting for the purpose of considering and, if deemed advisable, approving the Arrangement Resolution and upon receipt thereof, OWP and NU2U will forthwith carry out the terms of the Interim Order to the extent applicable to it. Provided all necessary approvals for the Arrangement Resolution are obtained from the OWP Shareholders, OWP and NU2U shall jointly submit the Arrangement to the Court and apply for the Final Order. Upon issuance of the Final Order and subject to the conditions precedent in Article 5, OWP and NU2U shall forthwith proceed to file the Articles of Arrangement, the Final Order and such other documents as may be required to give effect to the Arrangement with the Registrar pursuant to the Arrangement Provisions, whereupon the transactions comprising the Arrangement shall occur and shall be deemed to have occurred in the order set out therein without any further act or formality.

2.2 Interim Order

The Interim Order, if deemed advisable to be obtained, shall provide that:

- (a) the securities of OWP for which holders shall be entitled to vote on the Arrangement Resolution shall be the OWP Shares;
- (b) the OWP Shareholders shall be entitled to vote on the Arrangement Resolution, with each OWP Shareholder being entitled to one vote for each OWP Share held by such holder;
- (c) the requisite majority for the approval of the Arrangement Resolution shall be:
 - (i) two-thirds of the votes cast by the OWP Shareholders present in person or by proxy at the OWP Meeting; and
 - (ii) and a majority of the votes cast by the OWP Shareholders, after excluding the votes cast by those persons whose votes must be excluded pursuant to Ontario Securities Commission Rule 61-501.

2.3 Information Circular and Meetings

As promptly as practical following the execution of this Agreement and in compliance with the Interim Order, if any, and Applicable Laws:

- (a) OWP shall:
 - (i) prepare the Information Circular and cause such circular to be mailed to the OWP Shareholders and filed with applicable regulatory authorities and other governmental authorities in all jurisdictions where the same are required to be mailed and filed; and
 - (ii) convene the OWP Meeting.

2.4 Effective Date

The Arrangement shall become effective in accordance with the terms of the Plan of Arrangement on the Effective Date.

ARTICLE 3 COVENANTS

3.1 Covenants Regarding the Arrangement

From the date hereof until the Effective Date, OWP and NU2U will use all reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws to complete the Arrangement, including using reasonable efforts:

- (a) to obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
- (b) to obtain all necessary consents, assignments, waivers and amendments to or terminations of any instruments and take such measures as may be appropriate to fulfill its obligations hereunder and to carry out the transactions contemplated hereby; and
- (c) to effect all necessary registrations and filings and submissions of information requested by governmental authorities required to be effected by it in connection with the Arrangement.

3.2 Covenants Regarding Execution of Documents

- (a) OWP and NU2U will perform all such acts and things, and execute and deliver all such agreements, notices and other documents and instruments as may reasonably be required to facilitate the carrying out of the intent and purpose of this Agreement.

3.3 Giving Effect to the Arrangement

The Arrangement shall be effected in the following manner:

- (a) If deemed advisable, the Parties shall proceed forthwith to apply for the Interim Order providing for, among other things, the calling and holding of the OWP Meeting for the purpose of, among other things, considering and, if deemed advisable, approving and adopting the Arrangement;
- (b) The NU2U Shareholder, being OWP, shall approve the Arrangement by a consent resolution;
- (c) As soon as practicable, and subject only to obtaining the Interim Order, if the Interim Order is deemed advisable to obtain, OWP shall call the OWP Meeting and mail the Information Circular and related Notice of Meeting and form of Proxy to the OWP Shareholders;
- (d) If the OWP Shareholders approve the Arrangement as set out in §3.3 hereof, OWP shall thereafter (subject to the exercise of any discretionary authority granted to the OWP Board by the OWP Shareholders) take the necessary actions to submit the Arrangement to the Court for approval and grant of the Final Order; and

- (e) Upon receipt of the Final Order, OWP shall, subject to compliance with any of the other conditions provided for in Article 3.3 hereof and to the rights of termination contained in Article 7 hereof, file the material described in §5.1 with the Registrar in accordance with the terms of the Plan of Arrangement.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties

Each of the Parties hereby represents and warrants to the other that.

- (a) It is a corporation duly incorporated and validly subsisting under the laws of its jurisdiction of existence, and has full capacity and authority to enter into this Agreement and to perform its covenants and obligations hereunder;
- (b) It has taken all corporate actions necessary to authorize the execution and delivery of this Agreement and this Agreement has been duly executed and delivered by it;
- (c) Neither the execution and delivery of this Agreement nor the performance of any of its covenants and obligations hereunder will constitute a material default under, or be in any material contravention or breach of: (i) any provision of its constating or governing corporate documents, (ii) any judgment, decree, order, law, statute, rule or regulation applicable to it or (iii) any agreement or instrument to which it is a party or by which it is bound; and
- (d) No dissolution, winding up, bankruptcy, liquidation or similar proceedings has been commenced or is pending or proposed in respect of it.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Mutual Conditions Precedent

The respective obligations of the Parties to consummate the transactions contemplated hereby, and in particular the Arrangement, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions, any of which may be waived by the mutual written consent of such Parties without prejudice to such Party's right to rely on any other of such conditions:

- (a) If deemed advisable to obtain, the Interim Order shall have been granted in form and substance satisfactory to OWP and NU2U, acting reasonably, and such order shall not have been set aside or modified in a manner unacceptable to OWP and NU2U, acting reasonably, on appeal or otherwise;
- (b) the Arrangement Resolution shall have been passed by the OWP Shareholders at the OWP Meeting in accordance with the Arrangement Provisions, the constating documents of OWP, the Interim Order, if any, and the requirements of any applicable regulatory authorities;

- (c) the Arrangement and this Agreement, with or without amendment, shall have been approved by the OWP Shareholders to the extent required by, and in accordance with, the Arrangement Provisions and the constating documents of OWP;
- (d) the Final Order shall have been granted in form and substance satisfactory to OWP and NU2U, acting reasonably;
- (e) the Articles of Arrangement to be filed with the Registrar in accordance with the Arrangement shall be in form and substance satisfactory to OWP and NU2U, acting reasonably;
- (f) all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in this Agreement and the Plan of Arrangement shall have been obtained or received from the persons, authorities or bodies having jurisdiction in the circumstances, each in form acceptable to OWP and NU2U;
- (g) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Arrangement; and
- (h) this Agreement shall not have been terminated under Article 7.

Except for the conditions set forth in this §5.1 which, by their nature, may not be waived, any of the other conditions in this §5.1 may be waived, either in whole or in part, by either OWP or NU2U, as the case may be, at its discretion.

5.2 Closing

Unless this Agreement is terminated earlier pursuant to the provisions hereof, the parties shall meet at the offices of OWP, 1201-700 West Pender Street, Vancouver, British Columbia V6C 1G8, at 10:00 a.m. (Vancouver time) or at such place and time as they may mutually agree on a date acceptable to each of the Parties (the “Closing Date”), and each of them shall deliver to the other of them:

- (a) the documents required to be delivered by it hereunder to complete the transactions contemplated hereby, provided that each such document required to be dated the Effective Date shall be dated as of, or become effective on, the Effective Date and shall be held in escrow to be released upon the occurrence of the Effective Date; and
- (b) written confirmation as to the satisfaction or waiver by it of the conditions in its favour contained in this Agreement.

5.3 Merger of Conditions

The conditions set out in §5.1 hereof shall be conclusively deemed to have been satisfied, waived or released upon the occurrence of the Effective Date.

5.4 Merger of Representations and Warranties

The representations and warranties in §4.1 shall be conclusively deemed to be correct as of the Effective Date and each shall accordingly merge in and not survive the effectiveness of the Arrangement.

ARTICLE 6 AMENDMENT

6.1 Amendment

This Agreement may at any time and from time to time before or after the holding of the OWP Meeting be amended by written agreement of the Parties hereto without, subject to Applicable Laws, further notice to or authorization on the part of their respective securityholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties; or
- (d) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment reduces or materially adversely affects the consideration to be received by a OWP Shareholder without approval by the OWP Shareholders, given in the same manner as required for the approval of the Arrangement or as may be ordered by the Court.

ARTICLE 7 TERMINATION

7.1 Termination

Subject to §7.2, this Agreement may at any time before or after the holding of the OWP Meeting, and before or after the granting of the Final Order, but in each case prior to the Effective Date, be terminated by the OWP Board without further action on the part of the OWP Shareholders, or by the NU2U Board without further action on the part of the NU2U Shareholder, and nothing expressed or implied herein or in the Plan of Arrangement shall be construed as fettering the absolute discretion of the OWP Board or of the NU2U Board, respectively, to elect to terminate this Agreement and discontinue efforts to effect the Arrangement for whatever reasons it may consider appropriate.

7.2 Cessation of Right

The right of OWP or NU2U or any other party to amend or terminate the Plan of Arrangement pursuant to §6.1 and §7.1 shall be extinguished upon the occurrence of the Effective Date.

ARTICLE 8

NOTICES

8.1 Notices

All notices which may or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally or sent by facsimile and in the case of:

NU2U Resources Corp., addressed to:
Suite 1201, 700 West Pender Street
Vancouver, British Columbia V6C 1G8

Attention: President
Fax: (604) 658-2045

Orca Wind Power Corp., addressed to:
Suite 1201, 700 West Pender Street
Vancouver, British Columbia V6C 1G8

Attention: President
Fax: (604) 658-2045

or such other address as a Party may, from time to time, advise to the other Party hereto by notice in writing. The date or time of receipt of any such notice will be deemed to be the date of delivery or the time such facsimile is received.

**ARTICLE 9
GENERAL**

9.1 Assignment and Enurement

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns. This Agreement may not be assigned by any Party hereto without the prior consent of the other Party.

9.2 Disclosure

Each Party shall receive the prior consent, not to be unreasonably withheld, of the other Party prior to issuing or permitting any director, officer, employee or agent to issue, any press release or other written statement with respect to this Agreement or the transactions contemplated hereby. Notwithstanding the foregoing, if any Party is required by law or administrative regulation to make any disclosure relating to the transactions contemplated herein, such disclosure may be made, but that Party will consult with the other Party as to the wording of such disclosure prior to its being made.

9.3 Costs

Except as contemplated in the Arrangement and herein, each Party hereto covenants and agrees to bear its own costs and expenses in connection with the transactions contemplated hereby.

9.4 Severability

If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

- (a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and
- (b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Agreement in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Agreement in any other jurisdiction.

9.5 Further Assurances

Each Party hereto shall, from time to time and at all times hereafter, at the request of any other Party hereto, but without further consideration, do all such further acts, and execute and deliver all such further documents and instruments as may be reasonably required in order to fully perform and carry out the terms and intent hereof.

9.6 Time of Essence

Time shall be of the essence of this Agreement.

9.7 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and the Parties hereto irrevocably attorn to the jurisdiction of the courts of the Province of British Columbia. Each of the Parties hereto hereby irrevocably and unconditionally consents to and submits to the jurisdiction of the courts of the Province of British Columbia in respect of all actions, suits or proceedings arising out of or relating to this Agreement or the matters contemplated hereby (and agrees not to commence any action, suit or proceeding relating thereto except in such courts) and further agrees that service of any process, summons, notice or document by single registered mail to the addresses of the parties set forth in this Agreement shall be effective service of process for any action, suit or proceeding brought against any Party in such court. The Parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the matters contemplated hereby in the courts of the Province of British Columbia and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding so brought has been brought in an inconvenient forum.

9.8 Waiver

No waiver by any Party shall be effective unless in writing and any waiver shall affect only the matter, and the occurrence thereof, specifically identified and shall not extend to any other matter or occurrence.

9.9 Counterparts

This Agreement may be executed in counterparts and by electronic methods of communication, and each electronic signature shall be deemed an original, and all counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

NU2U RESOURCES CORP.

By: Signed "Donald Gordon"
Donald Gordon, Director

ORCA WIND POWER CORP.

By: Signed "Thomas Bell"
Thomas Bell, Director

SCHEDULE “A” TO THE ARRANGEMENT AGREEMENT
PLAN OF ARRANGEMENT UNDER DIVISION 5 OF PART 9
OF THE
BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)
S.B.C. 2002, c. 57

ARTICLE 1
INTERPRETATION

1.1 In this Plan of Arrangement, the following terms have the following meanings:

“**Arrangement**”, “**herein**”, “**hereof**”, “**hereto**”, “**hereunder**” and similar expressions mean and refer to the proposed arrangement involving NU2U, OWP and the OWP Shareholders pursuant to the Arrangement Provisions on the terms and conditions set forth in this Plan of Arrangement as supplemented, modified or amended, and not to any particular article, section or other portion hereof;

“**Arrangement Agreement**” means the arrangement agreement dated August 24, 2011, between NU2U and OWP with respect to the Arrangement, and all amendments thereto;

“**Arrangement Provisions**” means Division 5 of Part 9 of the BCBCA;

“**Assets**” means the assets of OWP described in Schedule B to the Arrangement Agreement;

“**BCBCA**” means the *Business Corporations Act* (British Columbia), S.B.C. 2002, c. 57, as may be amended or replaced from time to time;

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday in the City of Vancouver, British Columbia;

“**Court**” means the Supreme Court of British Columbia;

“**Depository**” means Computershare Investor Services Inc.;

“**Distributed NU2U Shares**” means the NU2U Shares that are to be distributed to the OWP Shareholders pursuant to §3.1;

“**Effective Date**” means the date the Arrangement becomes effective under the BCBCA;

“**Final Order**” means the final order of the Court approving the Arrangement, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

“**Information Circular**” means the management information circular to be sent to the OWP Shareholders in connection with the OWP Meeting;

“**Interim Order**” means the interim order of the Court concerning the Arrangement under the BCBCA in respect of the Parties, containing declarations and directions with respect to the Arrangement and the

holding of the Meetings, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

“**New Shares**” means the new class of common shares without par value which OWP will create pursuant to §3.1 of this Plan of Arrangement and which, immediately after the Effective Date, will be identical in every relevant aspect to the OWP Shares;

“**NU2U**” means NU2U Resources Corp., a private company incorporated under the BCBCA;

“**NU2U Shareholder**” means a holder of NU2U Shares;

“**NU2U Shares**” means the common shares without par value in the authorized share structure of NU2U, as constituted on the date of this Agreement;

“**OWP**” means Orca Wind Power Corp., a private company incorporated under the BCBCA;

“**OWP Class B Shares**” means the renamed and re-designated OWP Shares, as described in §3.1 of this Plan of Arrangement;

“**OWP Meeting**” means the special meeting of OWP Shareholders to be held to consider the Arrangement Resolution and related matters, and any adjournments thereof;

“**OWP Preferred Shares**” means the preferred shares without par value which OWP will create and issue pursuant to §3.1 of this Plan of Arrangement;

“**OWP Shares**” means the common shares without par value in the authorized share structure of OWP, as constituted on the date of the Arrangement Agreement;

“**OWP Shareholders**” means the holders from time to time of OWP Shares;

“**Parties**” means OWP and NU2U; and “**Party**” means any one of them;

“**Plan**” or “**Plan of Arrangement**” means this plan of arrangement as amended or supplemented from time to time in accordance with the terms hereof and Article 7 of the Arrangement Agreement;

“**Registrar**” means the Registrar of Companies duly appointed under the BCBCA;

“**Share Distribution Record Date**” means the close of business on the day which is four Business Days after the date of the OWP Meeting or such other date as agreed to by OWP and NU2U, which date establishes the OWP Shareholders who will be entitled to receive NU2U Shares pursuant to this Plan of Arrangement;

“**Tax Act**” means the *Income Tax Act* (Canada), as amended;

“**Transfer Agent**” means Computershare Investor Services Inc. at its principal office in Vancouver, British Columbia;

1.2 The division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement.

1.3 Unless reference is specifically made to some other document or instrument, all references herein to articles and sections are to articles and sections of this Plan of Arrangement.

- 1.4 Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa; words importing any gender shall include all genders; and words importing persons shall include individuals, partnerships, associations, corporations, funds, unincorporated organizations, governments, regulatory authorities, and other entities.
- 1.5 In the event that the date on which any action required to be taken hereunder by any of the Parties falls on a day that is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.
- 1.6 References in this Plan of Arrangement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

ARTICLE 2 ARRANGEMENT AGREEMENT

- 2.1 This Plan of Arrangement is made pursuant and subject to the provisions of, and forms part of, the Arrangement Agreement.
- 2.2 This Plan of Arrangement will become effective in accordance with its terms and be binding on the Effective Date on the OWP Shareholders.

ARTICLE 3 ARRANGEMENT

- 3.1 On the Effective Date, the following shall occur and be deemed to occur in the following chronological order without further act or formality, notwithstanding anything contained in the provisions attaching to any of NU2U or OWP, but subject to the provisions of Article 6:
- (a) OWP will transfer the Assets to NU2U in consideration for NU2U Shares (the “**Distributed NU2U Shares**”), such that the number of Distributed NU2U Shares received by OWP in consideration for the Assets will equal the number of issued and outstanding OWP Shares as of the Share Distribution Record Date, and OWP will be added to the central securities register of NU2U in respect of such NU2U Shares;
 - (b) The authorized share capital of OWP will be changed by:
 - (i) Altering the identifying name of the OWP Shares to Class B Shares;
 - (ii) Creating a class consisting of an unlimited number of common shares without par value (the “**New Shares**”); and
 - (iii) Creating a class consisting of an unlimited number of preferred shares without par value, having the rights and restrictions described in Schedule “A” to the Plan of Arrangement, being the OWP Preferred Shares;
 - (c) Each issued OWP Share will be exchanged for one New Share and one OWP Preferred Share and, subject to the exercise of a right of dissent, the holders of the OWP Class B Shares will be removed from the central securities register of OWP and will be added to

the central securities register as the holders of the number of New Shares and OWP Preferred Shares that they have received on the exchange;

- (d) All of the issued OWP Class B Shares will be cancelled with the appropriate entries being made in the central securities register of OWP and the aggregate paid up capital (as that term is used for purposes of the Tax Act) of the OWP Class B Shares immediately prior to the Effective Date will be allocated between the New Shares and the OWP Preferred Shares so that the aggregate paid up capital of the OWP Preferred Shares is equal to the aggregate fair market value of the Distributed NU2U Shares as of the Effective Date, and each OWP Preferred Share so issued will be issued by OWP at an issue price equal to such aggregate fair market value divided by the number of issued OWP Preferred Shares, such aggregate fair market value of the Distributed NU2U Shares to be determined as at the Effective Date by resolution of the board of directors of NU2U;
 - (e) OWP will redeem the issued OWP Preferred Shares for consideration consisting solely of the Distributed NU2U Shares such that each holder of OWP Preferred Shares will, subject to the rounding of fractions and the exercise of rights of dissent, receive that number of NU2U Shares that is equal to the number of OWP Preferred Shares held by such holder;
 - (f) The name of each holder of OWP Preferred Shares will be removed as such from the central securities register of OWP, and all of the issued OWP Preferred Shares will be cancelled with the appropriate entries being made in the central securities register of OWP;
 - (g) The Distributed NU2U Shares transferred to the holders of the OWP Preferred Shares pursuant to step §(e) above will be registered in the names of the former holders of OWP Preferred Shares and appropriate entries will be made in the central securities register of NU2U;
 - (h) The OWP Class B Shares and the OWP Preferred Shares, none of which will be allotted or issued once the steps referred to in steps §(c) and §(e) above are completed, will be cancelled and the authorized share structure of OWP will be changed by eliminating the OWP Class B Shares and the OWP Preferred Shares therefrom; and
 - (i) The Notice of Articles and Articles of OWP will be amended to reflect the changes to its authorized share structure made pursuant to this Plan of Arrangement.
- 3.2 Notwithstanding §3.1(e), no fractional NU2U Shares shall be distributed to the OWP Shareholders and as a result all fractional share amounts arising under such sections shall be rounded down to the nearest whole number. Any Distributed NU2U Shares not distributed as a result of this rounding down shall be dealt with as determined by the board of directors of OWP in its absolute discretion.
- 3.3 The holders of the OWP Class B Shares and the holders of New Shares and OWP Preferred Shares referred to in §3.1(c), and the holders of the OWP Preferred Shares referred to in §3.1(e), §3.1(f) and §3.1(g), shall mean in all cases those persons who are OWP Shareholders at the close of business on the Share Distribution Record Date, subject to Article 5.
- 3.4 In addition to the chronological order in which the transactions and events set out in §3.1 shall occur and shall be deemed to occur, the time on the Effective Date for the redemption of the

OWP Preferred Shares set out in §3.1(e) shall occur and shall be deemed to occur on the date determined by resolution of the board of directors of OWP in its sole discretion.

- 3.5 All New Shares, OWP Preferred Shares and NU2U Shares issued pursuant to this Plan of Arrangement shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the BCBCA.
- 3.6 The Arrangement shall become final and conclusively binding on the OWP Shareholders, the NU2U Shareholders and OWP and NU2U on the Effective Date.
- 3.7 Notwithstanding that the transactions and events set out in §3.1 shall occur and shall be deemed to occur in the chronological order therein set out without any act or formality, each of OWP and NU2U shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in §3.1, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefore, and any necessary additions to or deletions from share registers.

ARTICLE 4 CERTIFICATES

- 4.1 Recognizing that the OWP Shares shall be redeemed and redesignated as OWP Class B Shares pursuant to §3.1(b)(i) and that the OWP Class B Shares shall be exchanged partially for New Shares pursuant to §3.1(c), OWP shall not issue replacement share certificates representing the OWP Class B Shares.
- 4.2 Recognizing that the Distributed NU2U Shares shall be transferred to the OWP Shareholders as consideration for the redemption of the OWP Preferred Shares pursuant to §3.1(e), NU2U shall issue one share certificate representing all of the Distributed NU2U Shares registered in the name of OWP, which share certificate shall be held by the Depository until the Distributed NU2U Shares are transferred to the OWP Shareholders and such certificate shall then be cancelled by the Depository. To facilitate the transfer of the Distributed NU2U Shares to the OWP Shareholders as of the Share Distribution Record Date, OWP shall execute and deliver to the Depository and the Transfer Agent an irrevocable power of attorney, authorizing them to distribute and transfer the Distributed NU2U Shares to such OWP Shareholders in accordance with the terms of this Plan of Arrangement and NU2U shall deliver a treasury order or such other direction to effect such issuance to the Transfer Agent as requested by it.
- 4.3 Recognizing that all of the OWP Preferred Shares issued to the OWP Shareholders pursuant to §3.1(c) will be redeemed by OWP as consideration for the distribution and transfer of the Distributed NU2U Shares under §3.1(e), OWP shall issue one share certificate representing all of the OWP Preferred Shares issued pursuant to §3.1(e) in the name of the Depository, to be held by the Depository for the benefit of the OWP Shareholders until such OWP Preferred Shares are redeemed, and such certificate shall then be cancelled.
- 4.4 As soon as practicable after the Effective Date, NU2U shall cause to be issued to the registered holders of OWP Shares as of the Share Distribution Record Date, share certificates representing the NU2U Shares to which they are entitled pursuant to this Plan of Arrangement and shall cause such share certificates to be mailed to such registered holders.

- 4.5 From and after the Effective Date, share certificates representing OWP Shares immediately before the Effective Date, except for those deemed to have been cancelled pursuant to Article 5, shall for all purposes be deemed to be share certificates representing New Shares, and no new share certificates shall be issued with respect to the New Shares issued in connection with the Arrangement.
- 4.6 OWP Shares traded after the Share Distribution Record Date and prior to the Effective Date shall represent New Shares, and shall not carry any right to receive a portion of the Distributed NU2U Shares.

ARTICLE 5 DISSENTING SHAREHOLDERS

- 5.1 Notwithstanding §3.1 hereof, holders of OWP Shares may exercise rights of dissent (the “**Dissent Right**”) in connection with the Arrangement pursuant to the Interim Order, if any, and in the manner set forth in sections 237 – 247 of the BCBCA (collectively, the “**Dissent Procedures**”).
- 5.2 OWP Shareholders who duly exercise Dissent Rights with respect to their OWP Shares (“**Dissenting Shares**”) and who:
- (a) are ultimately entitled to be paid fair value for their Dissenting Shares, shall be deemed to have transferred their Dissenting Shares to OWP for cancellation immediately before the Effective Date; or
 - (b) for any reason are ultimately not entitled to be paid fair value for their Dissenting Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting OWP Shareholder and shall receive New Shares and NU2U Shares on the same basis as every other non-dissenting OWP Shareholder, and in no case shall OWP be required to recognize such person as holding OWP Shares on or after the Effective Date.
- 5.3 If an OWP Shareholder exercises the Dissent Right, OWP shall on the Effective Date set aside and not distribute that portion of the Distributed NU2U Shares that is attributable to the OWP Shares for which the Dissent Right has been exercised. If the dissenting OWP Shareholder is ultimately not entitled to be paid for their Dissenting Shares, OWP shall distribute to such OWP Shareholder his, her or its pro-rata portion of the Distributed NU2U Shares. If a OWP Shareholder duly complies with the Dissent Procedures and is ultimately entitled to be paid for their Dissenting Shares, then OWP shall retain the portion of the Distributed NU2U Shares attributable to such OWP Shareholder (the “**Non-Distributed NU2U Shares**”), and the Non-Distributed NU2U Shares shall be dealt with as determined by the board of directors of OWP in its absolute discretion.

ARTICLE 6 AMENDMENTS

- 6.1 OWP and NU2U may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Date, provided that each such amendment, modification and/or supplement must be:
- (i) set out in writing;
 - (ii) filed with the Court and, if made following the OWP Meeting, approved by the Court; and

- (iii) communicated to holders of OWP Shares and NU2U Shares, as the case may be, if and as required by the Court.
- 6.2 Any amendment, modification or supplement to this Plan of Arrangement may be proposed by OWP at any time prior to the OWP Meeting with or without any other prior notice or communication, and if so proposed and accepted by the persons voting at the OWP Meeting (other than as may be required under the Interim Order, if any), shall become part of this Plan of Arrangement for all purposes.
- 6.3 OWP, with the consent of NU2U, may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time after the OWP Meeting and prior to the Effective Date with the approval of the Court.
- 6.4 Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date but shall only be effective if it is consented to by OWP and NU2U, provided that such amendment, modification or supplement concerns a matter which, in the reasonable opinion of OWP and NU2U, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of OWP and NU2U or any former holder of OWP Shares and NU2U Shares, as the case may be.

ARTICLE 7
REFERENCE DATE

- 7.1 This plan of arrangement is dated for reference the date first written in the Arrangement Agreement, to which this Plan of Arrangement is attached as Schedule A thereto and forms an integral part thereof.

SCHEDULE “A” TO THE PLAN OF ARRANGEMENT

SPECIAL RIGHTS AND RESTRICTIONS FOR OWP PREFERRED SHARES

The preferred shares as a class shall have attached to them the following special rights and restrictions:

Definitions

- (1) In these Special Rights and Restrictions,
 - (a) “**Arrangement**” means the arrangement pursuant to Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) S.B.C 2002, c.57 as contemplated by the Arrangement Agreement,
 - (b) “**Arrangement Agreement**” means the Arrangement Agreement dated as of August 24, 2011, between Orca Wind Power Corp. (the “**Company**”) and NU2U Resources Corp.
 - (c) “**Old Common Shares**” means the common shares in the authorized share capital of the Company that have been re-designated as class B common shares without par value pursuant to the Plan of Arrangement,
 - (d) “**Effective Date**” means the date upon which the Arrangement becomes effective,
 - (e) “**New Shares**” means the common shares without par value created in the authorized share capital of the Company pursuant to the Plan of Arrangement, and
 - (f) “**Plan of Arrangement**” means the Plan of Arrangement attached as Schedule “A” to the Arrangement Agreement.
- (2) The holders of the preferred shares are not as such entitled to receive notice of, nor to attend or vote at, any general meeting of the shareholders of the Company.
- (3) Preferred shares shall only be issued on the exchange of Old Common Shares for New Shares and preferred shares pursuant to and in accordance with the Plan of Arrangement.
- (4) The capital to be allocated to the preferred shares shall be the amount determined in accordance with §3.1(d) of the Plan of Arrangement.
- (5) The preferred shares shall be redeemable by the Company pursuant to and in accordance with the Plan of Arrangement.
- (6) Any preferred share that is or is deemed to be redeemed pursuant to and in accordance with the Plan of Arrangement shall be cancelled and may not be reissued.

SCHEDULE "B"

OWP ASSETS TO BE TRANSFERRED TO NU2U RESOURCES CORP.

Investment in Katabatic Power Corp. which includes convertible debentures (\$490,000), promissory notes (\$79,000), cash advances (\$94,000), receivables (\$110,869) and 9,652,337 common shares of Katabatic Power Corp., all of which have been written down to \$1 on OWP's financial statements and \$10,000 in cash.