

Dear Unitholder,

January 16, 2008

The sale of the assets of Terrawinds Resources Corp to SkyPower Corp (the "**Transaction**") as described in the management information circular of SWEF LP (formerly Sky Power Wind Energy Fund LP, the "**Partnership**") dated November 29, 2007 (the "**Circular**") was completed on December 28, 2007.

In connection with the Transaction, the name of the Partnership has been changed to SWEF LP. The name of the general partner for the Partnership has been changed to SWEF GP Inc.

### **Partnership Website**

The Partnership's website is now located at [www.sweflp.com](http://www.sweflp.com). This website will also contain other important information for Unitholders and their advisors, including copies of all Unitholder communications and recent Partnership press releases. Unitholders should visit the website if they have any questions and can direct any specific inquiries to me at [judsonmartin@sweflp.com](mailto:judsonmartin@sweflp.com).

### **Initial Distribution of Transaction Proceeds**

The Partnership has made the first distribution to Unitholders of approximately \$5.28 per unit for a total of \$40,750,014. Your entitlement to the first distribution has been paid and you will receive either a cheque with this letter or the distribution will be deposited into your account by your stock broker.

The Partnership expects to make additional distributions as described in the Circular. The Circular is available at [www.sweflp.com](http://www.sweflp.com).

### **Tax Indemnity Payment**

As discussed in the Circular, Unitholders are entitled to claim compensation from a tax indemnity payment agent (the "**Payment Agent**") for the taxes payable as a result of the loss of certain deductions from income for Canadian federal and provincial income tax purposes that Unitholders expected to receive for their 2005 taxation year. Unitholders will retain the benefit of a portion of the deductions previously received by them.

The Payment Agent has established a website at [www.terida.com/PaymentAgent](http://www.terida.com/PaymentAgent) through which you will be able to submit claims for your tax indemnity amount. (You will also be able to access the Payment Agent website through the Partnership's website at [www.sweflp.com](http://www.sweflp.com)). While the Payment Agent site will be available by January 15, 2008, you cannot submit a claim until you have received a Notice of Assessment or Reassessment from Canadian federal and applicable provincial tax authorities. We can provide no certainty as to when the Notice of Assessment or Reassessment will be received by you from the tax authorities. Detailed instructions on how to make a claim will be sent to you by the Payment Agent no later than February 15, 2008. At that time, these instructions will also be posted at [www.sweflp.com](http://www.sweflp.com) and at [www.terida.com/PaymentAgent](http://www.terida.com/PaymentAgent).

It is important to note that the tax indemnity amount does not include the interest payable by Unitholders in respect of the taxes payable as a result of the loss of the deductions. The interest has been accruing since May 1, 2007 and will continue to accrue until the taxes are paid. In order to avoid further interest from accruing, you may wish to consider paying those taxes as soon as possible, even though you may not have received a Notice of Assessment or Reassessment.

You can pay those taxes by sending a cheque payable to the Receiver General to the Canada Revenue Agency at Canada Revenue Agency, 875 Heron Road, Ottawa, ON K1A 1B1 (and, in the case of Québec residents, sending a cheque payable to the Minister of Revenue Québec to Revenue Québec at your regional Revenue Québec office). You should provide your name, address and social insurance number with your cheque. You should also indicate the taxation year in respect of which the payment is being made which is the year in which you claimed the deduction (for most Unitholders that will be 2005).

An estimate of the amount of taxes payable by a Unitholder as a result of the loss of the deductions can be determined by applying the following formula: \$6.83 (being the approximate amount of the lost deductions per unit taking into account the deductions that you will be entitled to retain) multiplied by the number of units you hold multiplied by your 2005 marginal combined federal and provincial tax rate (expressed as a percentage).

The above formula assumes that you properly deducted for your 2005 taxation year, your entire share of Canadian exploration expense ("CEE") allocated by the Partnership for 2005, as reported on the information slip (T5013) issued to you in respect of the Partnership's 2005 fiscal year. If using this formula results in your overpayment of the taxes owing, you will be entitled to a refund (or credit against other taxes payable by you) from the tax authorities.

The above formula is provided for illustrative purposes only, and represents an estimate of the taxes that may be payable as a result of the loss of the deductions. You are strongly urged to consult with your own tax advisors regarding your particular circumstances.

As noted above, should you have any questions, please direct them to me at [judsonmartin@sweflp.com](mailto:judsonmartin@sweflp.com).

Yours very truly,



W. Judson Martin,  
Chairman SWEF GP Inc.