

Solar Flow-Through
2012-I Limited Partnership (2012 LP)



2012 LP Snapshot

- \$2 per unit distribution to unitholders paid at September 30, 2017
- Liquidity event for unitholders expected Q2 2018
- All FIT 2 projects operational and generating revenue
- All FIT 3.1 rooftop projects operational and generating revenue
- Construction of FIT 3.1 ground mount projects commenced

Overview

2012 LP is part of a group of limited partnerships that share the same management team which own, operate and develop solar power generation projects in the Province of Ontario. These limited partnerships include 2012 LP, Solar Flow-Through 2013-I Limited Partnership (“2013 LP”), Solar Flow-Through 2014-I Limited Partnership (“2014 LP”), Solar Flow-Through 2015-I Limited Partnership (“2015 LP”) and Solar Flow-Through 2016-I Limited Partnership (“2016 LP”) (collectively the “SFT Group”).

The investment objective of the 2012 LP is to develop and operate solar power generation projects in the Province of Ontario in a manner that provides for income tax deductions to investors during the start-up, development and construction phases and steady income upon commencement of commercial operations. The 2012 LP raised \$2.857 million in 2012. The 2012 LP primarily shares an economic interest in FIT 2, FIT 3.1 rooftop, and FIT 3.1 ground mount projects developed and financed by the SFT Group.

The 2012 LP’s targeted income distribution is 8% per annum.

Use of Funds

2012 LP raised \$2.857 million in 2012. All of the funds raised were incurred on Canadian Renewable and Conservation Expenses (“CRCE”). The 2012 LP did a renunciation for CRCE for the \$2.857 million (“CRCE Proceeds”) prior to 2012 year-end. Unitholders received tax receipts for their investment in the 2012 LP in early 2013. The CRCE Proceeds were incurred to secure Independent Electricity System Operator (“IESO”) FIT 2 contracts to develop and operate solar projects to produce electricity for the IESO at a guaranteed rate over twenty years.



600 kW DC FIT 2 Project
*located in Brampton, Ontario,
completed in July 2015.*

**180 Kw DC FIT 3.1
Rooftop Project
located in Vaughan
Ontario Canada.**



Performance of the 2012 LP

Since Q2 2014, management of the 2012 LP has met its targeted income distribution of 8% per annum paid quarterly, with the most recent payment made on September 30, 2017. Management expects to maintain this 8% target going forward.

Net Asset Value (NAV)

At the end of Q3 2017, the NAV of 2012 LP units has not been updated and remains at \$118.17. Management intends to update the NAV in Q2 2018.

Liquidity Options

In Q4 2015, unitholders of the 2012 LP were provided an opportunity to sell their units to secondary buyers. The next liquidity event is expected to occur in Q2 2018.

In the longer term, management will pursue additional liquidity opportunities, which may include a listing on a Canadian stock exchange together with the SFT Group.

FIT 2.1 – All Projects Operating

The 2012 LP primarily shares an economic interest in the FIT 2 projects with 2013 LP, 2014 LP and 2015 LP. In the second half of 2015, all FIT 2 projects were completed and connected into Ontario's electrical grid and generating revenue from the production of electricity. The 2012 LP has a shared economic interest in FIT 2 projects owned and operated by the SFT Group totalling 5.5 MW DC.

FIT 3.1 Projects – All FIT 3.1 Rooftop Projects Complete and Generating Revenue

The 2012 LP shares an economic interest in the FIT 3.1 rooftop projects with 2013 LP, 2014 LP, 2015 LP and 2016 LP. Construction of the FIT 3.1 rooftop projects is complete. All FIT 3.1 rooftop projects are now generating revenue from the production of electricity into Ontario's electrical grid.

The 2012 LP shares an economic interest in the FIT 3.1 ground mount projects with 2013 LP, 2014 LP, 2015 LP and 2016 LP. Engineering and development of the FIT 3.1 ground mount projects continued through Q3 2017. Construction of the first FIT 3.1 ground mount project began in the summer 2017, with all FIT 3.1 ground mount projects expected to achieve commercial operation in 2018.

Management expects that the 2012 LP will have a shared economic interest in FIT 3.1 projects owned and operated by the STF Group totalling between 15 and 18 MW DC.



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