Q3 INVESTOR UPDATE

Sep 30, 2018

Solar Flow-Through
2013-I Limited Partnership (2013 LP)

2013 LP Snapshot for Q3 2018

- $2 per unit distribution to unitholders paid at October 31, 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 under way
- FIT 4 projects under development

Overview

2013 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 2013 LP, Solar Flow-Through 2012-I Limited Partnership ("2012 LP"), Solar Flow-Through 2014-I Limited Partnership ("2014 LP"), Solar Flow-Through 2015-I Limited Partnership ("2015 LP"), Solar Flow-Through 2016-I Limited Partnership ("2016 LP"), Solar Flow-Through 2017-I Limited Partnership ("2017 LP") and Solar Flow-Through 2017-A Limited Partnership ("2017-A LP") (collectively the "SFT Group").

The investment objective of the 2013 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 2013 LP raised $10.0 million in 2013. The 2013 LP primarily shares an economic interest in FIT 2, FIT 3.1 rooftop, FIT 3.1 ground mount and FIT 4 projects developed and financed by entities within the SFT Group.

The 2013 LP targeted income distribution is 8% per annum.

Use of Funds

2013 LP raised $10.0 million in 2013. From the proceeds, $9.25 million was incurred on Canadian Renewable and Conservation Expenses ("CRCE") and the remaining $0.75 million was incurred on fully deductible partnership expenses. The 2013 LP did a renunciation for CRCE for the $9.25 million ("CRCE Proceeds") prior to 2013 year-end. Unitholders received tax receipts for their investment in the 2013 LP in early 2014. The CRCE Proceeds were incurred to secure Independent Electricity System Operator ("IESO") FIT 3.1 contracts and FIT 4 contracts to develop and operate solar projects to produce electricity for the IESO at a guaranteed rate over twenty years.

Performance of the 2013 LP

Since Q1 2017, management of the 2013 LP ("Management") has met its targeted income distribution of 2% per quarter with the most recent payment made on October 31, 2018.

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

400 kW DC FIT 3.1 Rooftop Project located in Wasaga Beach, Ontario.

IESO Termination Notices Update

The Ontario general election of 2018 was held on June 7, 2018. The Progressive Conservative Party of Ontario won a majority government, with the Ontario New Democratic Party forming the Official Opposition. The election of a Progressive Conservative majority government has resulted in changes to many of the province's policies. These changes have affected the climate, energy, and electricity policy environment. On July 13, 2018, the new Government issued an Order in Council containing the Minister of Energy's Directive "to immediately take all steps necessary to wind down all FIT 2, 3, 4 and 5 contracts where the IESO has not issued Notice to Proceed ("NTP")." An NTP is issued for a contract when it is ready for construction. In response to the Minister of Energy's directive, on July 16, the Independent Electricity System Operation ("IESO") began issuing Termination Notices to all pre-NTP contract holders.

All of the SFT Group's operating solar projects have Feed-in-Tariff ("FIT") contracts with the IESO that are secured with 20-year Power Purchase Agreements.

As has always been the case, the IESO has the option to cancel contracts for projects currently under development that have not yet been issued a Notice to Proceed. In July 2018, the SFT Group received a total of 218 termination notices from the IESO representing the SFT Group's 113.8 MW DC portfolio of pre-NTP contracts. The letters are an official termination of the FIT contracts and issuance of a "Stop Work Notice" advising contract holders to immediately refrain from and permanently cease any development, construction and operation of the project.

The Termination Notice also confirms cost recovery of "Pre-Construction Development Costs" to the owner. Pre-Construction Development Costs are, generally, defined as reasonable costs incurred in development of a project from post contract award date to termination.

The SFT Group is also continuing to work with its advisory firms to explore all avenues and alternatives available, including investigating cost recovery and any resulting tax implications. The termination of the FIT contracts will not affect limited partners' (i.e. the investors) of Solar Flow-Through with respect to their eligibility of tax deductions.

All the 218 terminated contracts were from either FIT 3.1 (8 Contracts), FIT 4 (70 Contracts), or FIT 5 (140 Contracts) which were issued in 2015, 2016, and 2017 respectively. Going forward, the impact of these terminations will vary depending on the vintage of the limited partnership. The impact on older vintage limited partnerships (i.e. 2012 LP and 2013 LP) will be negligible as they have little to no economic interest in the FIT 4 and FIT 5 contracts terminated.

The impact on more recent limited partnerships (i.e. 2014 LP, 2015 LP, 2016 LP, 2017-I LP, and 2017-A LP) is being assessed by Management at this time. This assessment includes the amount of cost recovery and the use of funds resulting from cost recovery. Use of funds could include re-investment in projects, possible distributions and/or a redemption of units.

As previously mentioned, the terminations largely affect the SFT Group's development of FIT 4 and FIT 5 solar projects. To date, the SFT Group has been granted NTP approval status for FIT 4 projects totalling approximately 3 MW DC and NTP approval status for FIT 5 projects totalling approximately 10 MW DC. These projects are not affected by the issuance of Termination Notices and development of these projects is proceeding as planned.

Further updates will be provided as events progress.

Net Asset Value (NAV)

At the end of Q3 2018, the NAV of 2013 LP units had not been updated and remained at $85.67. Management has delayed updating the NAV until the impact of terminated contracts on the SFT Group's limited partnerships has been fully assessed.

Liquidity Options

In Q2 2016, unitholders of the 2013 LP were provided an opportunity to sell some or all of their units. Management has delayed the next liquidity event until the impact of terminated contracts on the SFT Group's limited partnerships has been fully assessedn.

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 – All Projects Operating

The 2013 LP primarily shares an economic interest in the FIT 2 projects with 2012 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 2013 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 Rooftop Projects Operating and First Ground Mount Projects Operational

The 2013 LP shares an economic interest in the FIT 3.1 rooftop projects with 2012 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 2013 LP shares an economic interest in the FIT 3.1 ground mount projects with 2012 LP, 2014 LP, 2015 LP and 2016 LP. Engineering and development of the FIT 3.1 ground mount projects continued through Q3 2018. Construction of the first FIT 3.1 ground mount projects began in fall 2017, and the first FIT 3.1 ground mount projects were completed and became operational in 2018. Most of the FIT 3.1 ground mount projects achieved commercial operation in spring 2018, and the remainder are expected to be operational by end of 2019.

Upon completion of the ground mount projects, Management expects that the 2013 LP will have a shared economic interest in FIT 3.1 projects owned and operated by the SFT Group totalling between 15 and 18 MW DC.

FIT 4 Projects – Ongoing Development and Feasibility Analysis Underway

A significant amount of the 2013 LP's economic interests are held in FIT 2 and FIT 3.1 projects, and most of the expected distributions to unitholders of the 2013 LP will result from these projects. The 2013 LP also holds an economic interest in FIT 4 projects. The majority of economic interest held in the FIT 4 projects is by other entities within the SFT Group.

In Q3 2016, the IESO awarded approximately 35 MW DC of FIT 4 Contracts to entities controlled by the 2013 LP and other entities within the SFT Group. A number of ground mount projects may not proceed due to higher than expected costs associated with connecting these projects to the electrical grid, making them uneconomical. Management is currently investigating alternatives to reduce these connection costs. At this time, Management expects to build FIT 4 projects totalling approximately 10 MW DC.

Initial development of the FIT 4 projects began during Q4 2016. Permitting, engineering and development of the FIT 4 projects continued through Q3 2018. The majority of the FIT 4 projects are ground mount projects. Management has determined that the small number of rooftop projects planned were uneconomical to construct. Management expects that most of the ground mount FIT 4 projects that are expected to become operational will be completed by the end of 2018 and the remainder by end of 2019.

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