

Investor Update - March 31, 2015

Solar Flow-Through 2013-I Limited Partnership

Overview

The investment objective of the Solar Flow-Through 2013-I Limited Partnership (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 has a targeted income distribution of 8% per annum. The 2013 LP raised \$10,000,000 (2013 Proceeds) in October 2013.

Merger of OPA and IESO

On January 1, 2015, the Ontario Power Authority (**OPA**), which was the agency of the Government of Ontario that administered the Feed-in-Tariff program (**FIT**), merged with the Independent Electricity System Operator (**IESO**), another government agency. The merged entity is now collectively operating as IESO.

Performance

The 2013 LP intended that unitholders would earn targeted 8% per annum distributions beginning 13 months after the October 2013 close. The FIT 2 Projects are the first to become operational and generating cash flow for the 2013 LP. The time to complete all of the rooftop assessments, engineering, designs, and approvals required from the IESO and local hydro companies to commence construction of the FIT 2 projects took three to six months longer than anticipated. Due to the delays in the development of the FIT 2 projects, the commencement of dividend payments is now intended to begin on September 30, 2015.

As all the FIT 2 projects become operational in 2015, it is expected that the distributable cash flows to the 2013 LP from the FIT 2 projects alone will not be sufficient to meet the targeted income distribution of 2% per quarter. However, the FIT 3.5 contracts that are to be awarded to the 2013 LP should result in greater distributable cash flow to its unitholders once these projects are operational. Additionally, any FIT 4 contracts awarded to the 2014 LP should result in greater distributable cash flow to its unitholders. The Management of the 2013 LP (**Management**) expects the targeted dividend payment of 2% per quarter will be achieved in 2016.

Upcoming Liquidity for Investors

Management intends to provide a liquidity event for the 2013 LP through secondary buyers on or about the end of Q3 2015. The offering price for units in this type of limited partnership is typically at a discount to the Net Asset Value (**NAV**). NAV for the 2013 LP has not been reset and has remained at par

being \$100 per unit since closing in October 2013. Management intends to establish an updated NAV for the 2013 LP during Q3 2015. Management expects an updated NAV will be helpful in creating a market of secondary buyers of the 2013 LP units.

Longer Term Liquidity Options

In the longer term, Management will pursue additional opportunities which may include listing of the 2013 LP on a Canadian stock exchange together with the 2012 LP and/or the 2014 LP or a sale of some or all the assets of the 2013 LP. Acceptance of either of these liquidity options requires the approval of at least two-thirds of the votes cast at a meeting of unitholders.

FIT 2.1 Project Progress – Construction Underway

Since the last Investor Update at December 31, 2014, construction has begun on most of the FIT 2 Projects. By the end of Q2 2015, it is expected that several of the FIT 2 projects will be operational and producing electricity into the electrical grid. Substantial completion of construction for most of the FIT 2 Projects is expected to be complete by the end of Q2 as well.



FIT 3 and FIT 3.5 Projects Status

In addition to the FIT 2 Projects, the 2013 LP, in partnership with the 2012 LP, applied to the OPA for FIT 3 Contracts in Q4 2013. In Q3 2014, the OPA awarded an initial round of 123 MW AC of FIT 3 Contracts. In December 19, 2014, the OPA announced an additional 100 MW AC of contracts (**FIT 3.5 Contracts**) would be awarded to projects that applied for FIT 3 Contracts in Q4 2013. Based on the OPA's December 19, 2014 announcement, the 2013 LP and the 2012 LP, together with their development partners, will receive FIT 3.5 Contracts for over 100 projects (**FIT 3.5 Projects**) totaling approximately 33.5 MW AC (or ~40 MW DC).

The economic interest in approximately 6.8 MW AC (or ~8.1 MW DC) of the FIT 3.5 Projects is controlled by third-party development partners of the 2012 LP and 2013 LP. The remaining economic interest of approximately 26.7 MW AC (or ~32.0 MW DC) is held by companies controlled by the 2012 LP and the 2013 LP.

Project Development Through 2015 and into 2016

It was expected that the IESO would award the FIT 3.5 Contracts by the end of Q1 2015. However, this has been delayed until Q2 2015. The development and permitting of the FIT 3.5 Projects to the point of being ready to start construction will occur throughout 2015 and 2016. Typically, four-to-twelve weeks are required to build out a project once it is "construction ready". It is the objective of Management to have some of the FIT 3.5 projects operational in the 2015 calendar year. All the FIT 3.5 Projects are

expected to be completed and operational within 18 months of receipt of the FIT 3.5 Contract date and before the end of Q4 2016.

FIT 4 Applications

The 2013 LP has been securing leases with landlords and landowners for the purpose of submitting FIT 4 applications. In addition to securing leases, other development work on these sites is being performed in order to get them to the point where they can be submitted for applications. The IESO had originally indicated that the FIT 4 application window for contracts would open in Q3 2014. The IESO has now indicated that the application window will be in June and July 2015.

Applications that are successful are expected to be awarded FIT 4 Contracts in Q4 2015. The projects that receive FIT 4 Contracts will be developed and built out over 2016 and 2017.

2014 LP – \$9,868,000 Raised

On December 19, 2014, the third Solar Flow-Through Fund, called the Solar Flow-Through 2014-I Limited Partnership (**2014 LP**), raised \$9,868,000 (**2014 Proceeds**). It is intended that some of the 2014 Proceeds will be used to fund development expenses of the FIT 3.5 Projects held by the 2012 LP and the 2013 LP. As a result of the 2014 LP's funding of the FIT 3.5 Projects, the 2014 LP will have an economic interest in the FIT 3.5 Projects along with the 2012 LP and 2013 LP.

Solar Flow-Through 2012-I Limited Partnership

Suite 900, 570 Granville Street
Vancouver, BC V6C 3P1
T 604.682.3701

info@solarflowthrough.com

www.solarflowthrough.com

Toronto Office

390 Bay Street, Suite 1102
Toronto, ON M5H 2Y2
T 647.725.3822