



JADEPOWER

JADE POWER TRUST

(formerly “Blockchain Power Trust”)

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)
AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND FOR THE THREE MONTHS
ENDED MARCH 31, 2020**

**(WITH COMPARATIVES AS AT DECEMBER 31, 2019 AND FOR THE THREE MONTHS ENDED
MARCH 31, 2019)**

(UNAUDITED and EXPRESSED IN CANADIAN DOLLARS)

NOTICE TO READER

The accompanying Condensed Interim Consolidated Financial Statements of Jade Power Trust have been prepared by and are the responsibility of management. The Condensed Interim Consolidated Financial Statements have not been reviewed by the Trust’s auditors.

JADE POWER TRUST (formerly “Blockchain Power Trust”)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF NET INCOME AND COMPREHENSIVE LOSS (unaudited)

	Three months ended	
	March 31,	
	2020	2019
REVENUE		
Sale of electricity	\$ 2,566,018	\$ 1,990,913
Income from Green Certificates	3,037,369	2,886,563
	5,603,387	4,877,476
OPERATING EXPENSES		
Cost of sales excluding depreciation	(1,674,330)	(1,318,974)
Depreciation	(928,133)	(1,332,603)
Cost of sales	(2,602,463)	(2,651,577)
General and administrative	(497,417)	(443,212)
Professional fees	(61,376)	(93,072)
Total operating expenses	(3,161,256)	(3,187,861)
OPERATING INCOME	2,442,131	1,689,615
OTHER (expense)		
Finance (costs)	(713,702)	(1,228,894)
Foreign exchange (loss)	(214,678)	(1,632,219)
Warrant revaluation gain (Note 7)	-	143,977
Total other (expense)	(928,380)	(2,717,136)
INCOME (LOSS) BEFORE TAX	1,513,751	(1,027,521)
Deferred income tax (expense)	(12,378)	(218,039)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	1,501,373	(1,245,560)
(Loss) from discontinued operations, net of tax (Note 12)	(42,152)	(132,540)
NET INCOME (LOSS) FOR THE PERIOD	1,459,221	(1,378,100)
Other comprehensive (loss):		
Unrealized (loss) on translation of foreign operations	(2,816,207)	(1,852,434)
TOTAL COMPREHENSIVE (LOSS)	\$ (1,356,986)	\$ (3,230,534)
Basic and diluted net income (loss) from		
from continuing operations per Unit	\$ 0.01	\$ (0.01)
Basic and diluted net income (loss) from		
discontinued operations per Unit	\$ (0.00)	\$ 0.00
Basic and diluted net income (loss) per Unit	\$ 0.01	\$ (0.01)
Weighted average number of Units		
outstanding - basic and diluted	231,487,195	230,158,418

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

JADE POWER TRUST (formerly “Blockchain Power Trust”)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF UNITHOLDERS' EQUITY (unaudited)

	Units	Unit Value	Deficit	Accumulated Other Comprehensive Income (Loss)	Contributed Surplus	Unitholders' Equity (Deficiency)
Balance, December 31, 2018	230,165,170	\$ 103,329,679	\$ (72,355,079)	\$ 7,369,824	\$ 6,069,101	\$ 44,413,525
Net loss	-	-	(1,378,100)	-	-	(1,378,100)
Other comprehensive income	-	-	-	(1,852,434)	-	(1,852,434)
Balance, March 31, 2019	230,165,170	\$ 103,329,679	\$ (73,733,179)	\$ 5,517,390	\$ 6,069,101	\$ 41,182,991
Balance, December 31, 2019	231,487,195	\$ 103,508,740	\$ (68,373,294)	\$ 2,107,504	\$ 6,069,101	\$ 43,312,051
Net income	-	-	1,459,221	-	-	1,459,221
Other comprehensive income	-	-	-	2,816,207	-	2,816,207
Balance, March 31, 2020	231,487,195	\$ 103,508,740	\$ (66,914,073)	\$ 4,923,711	\$ 6,069,101	\$ 47,587,479

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

JADE POWER TRUST (formerly “Blockchain Power Trust”)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

	Three months ended	
	March 31,	
	2020	2019
OPERATING ACTIVITIES		
Net income (loss) from continuing operations for the year	\$ 1,501,373	\$ (1,245,560)
Items relating to financing activities:		
Revaluation of warrants gain (Note 7)	-	(143,977)
Interest and finance charges	713,702	1,228,894
Proceeds from the sale of Green Certificates	2,829,572	2,133,976
Add (deduct) items not affecting cash:		
Income from Green Certificates	(3,037,369)	(2,886,563)
Depreciation (Note 5)	928,133	1,332,603
Deferred income tax	12,378	218,039
Unrealized foreign exchange loss	214,678	1,632,219
Operating cash flow before changes in working capital	3,162,467	2,269,631
Net change in non-cash working capital:		
Trade and other receivables	(1,469,360)	800,488
Green Certificates - current and restricted	(538,371)	992,356
Prepaid and other assets	(116,969)	237,271
Accounts payable and accrued liabilities	485,915	515,530
Net cash provided by operating activities of continuing operations	1,523,682	4,815,276
Net cash (used in) operating activities of discontinued operations	(96,337)	(132,540)
FINANCING ACTIVITIES		
Interest and financing costs paid	(160,455)	(390,052)
Restricted cash (Note 6i)	-	(102,446)
Lease liabilities (Note 6i)	(1,080,801)	(2,791,687)
Net cash (used in) financing activities of continuing operations	(1,241,256)	(3,284,185)
Net cash provided by financing activities of discontinued operations	-	-
Effect of currency translation	804,557	(758,149)
CHANGE IN CASH	990,646	640,402
Cash, beginning of period	1,801,085	1,277,111
Cash, end of period	2,791,730	1,917,513

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

JADE POWER TRUST (formerly “Blockchain Power Trust”)
**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT
AND FOR THE THREE MONTHS ENDED MARCH 31, 2020** (WITH COMPARATIVES AS AT DECEMBER
31, 2019 AND FOR THE MONTHS ENDED MARCH 31, 2019) (unaudited)

1. NATURE OF THE TRUST AND GOING CONCERN

Jade Power Trust (formerly “Blockchain Power Trust”, “**Jade Power**” or the “**Trust**”) is an unincorporated open-ended limited purpose trust established under the laws of the Province of Ontario that, through its subsidiaries, generates and sells electricity to licensed electricity buyers in Romania through its portfolio of two operational wind projects known as “Baia” and “OMV” with a total capacity of 62 megawatts (“**MW**”) (the “**Wind Projects**”), three hydro-electric generation facilities comprised of run-of-river hydroelectric power plants known as “Rott”, “Zagra” and “Suha” with total capacity of over 4.4 MW (the “**Hydro Projects**”) and two photovoltaic solar power production plants known as “Corabia” and “Power LIVE” with a total capacity of 16.6 MW (the “**Solar Projects**” and, together with the Hydro Projects and the Wind Projects, the “**Projects**”). All of the Projects are located in Romania.

In October 2019, the Trust changed its name to “Jade Power Trust” and the trust units in the capital of the Trust (each, a “**Unit**”) commenced trading on the TSX Venture Exchange (the “**TSXV**”) under a new symbol, “JPWR.UN”. The Unit purchase warrants of the Trust (the “**2018 Warrants**”) that were listed on TSXV under the symbol “JPWR.WT” were delisted following their expiry on January 8, 2020.

The Trust directly and indirectly owns all of the membership rights of Transeastern Power Coöperatief U.A. (“**Netherlands Parent**”), which owns all of the issued and outstanding shares of Transeastern Power B.V. (“**Netherlands Holdco**” and, together with the Netherlands Parent, the “**Netherlands Subsidiaries**”). The Netherlands Subsidiaries jointly own, directly or indirectly, 100% of six Romanian subsidiaries which hold the Hydro Projects, two Romanian subsidiaries that hold the Solar Projects, two Romanian subsidiaries that hold the Wind Projects, and a Romanian subsidiary that acts as a management company for the Romanian operations.

TSX Trust Company, (the “**Trustee**”), was appointed as trustee of Jade Power pursuant to a trust indenture of the Trust dated February 4, 2014, as amended (the “**Trust Indenture**”). The Trustee has delegated most of its powers and duties relating to the operations and governance of Jade Power to Jade Power Administrator Inc. (formerly “Blockchain Power Administrator Inc.”, the “**Administrator**”) pursuant to an Administrative Services Agreement dated February 4, 2014. All of the shares of the Administrator are owned by Jade Management Inc. (the “**Administrator Shareholder**”), all of the shares of which are owned by Mr. Eadie, the Chief Executive Officer of the Administrator and Mr. Sood, the Chairman of the Administrator, and are subject to the terms of a unanimous shareholders’ agreement dated May 28, 2014.

Jade Power qualifies as a “mutual fund trust” and not a “SIFT trust” (each as defined in the Income Tax Act (Canada)) in accordance with the restrictions set forth in the Trust Indenture. The Administrator is responsible for monitoring Jade Power’s investments and holdings of property to ensure Jade Power is not at any time a “SIFT trust” and does not hold any “non-portfolio property”.

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The principal head and registered office of each of Jade Power, the Administrator, the Administrator Shareholder and Jade Power’s Canadian subsidiaries are located at Suite 1800, 181 Bay Street, Toronto, Ontario, Canada. References to Jade Power herein include reference to the applicable subsidiary where appropriate.

Going Concern

These unaudited Condensed Interim Consolidated Financial Statements have been prepared under the going concern basis. The going concern basis presumes the Trust will be able to meet its obligations and continue its operations for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business for the foreseeable future. Realization values may be substantially different from the carrying values as shown, and these unaudited Condensed Interim Consolidated Financial Statements do not give effect to adjustments that would be necessary to the carrying values and classifications of assets and liabilities should the Trust be unable to continue as a going concern.

While management considers that the preparation of these unaudited Condensed Interim Consolidated Financial Statements under the going concern basis is appropriate, and the Trust has positive working capital as at March 31, 2020 and net earnings for the three month period ended March 31, 2020, given the Trust’s accumulated deficit and the World Health Organization’s declaration of the coronavirus (“**COVID-19**”) as a global pandemic, the Trust may not be in a position to be able to meet its financial obligations and sustain its operations in the normal course of business. Should the Trust be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. The Trust believes that its current financial position and cash flows from existing operations will provide sufficient cash flow for it to continue as a going concern for the foreseeable future; however, there can be no assurances that future revenues from operations will be adequate due to the uncertainty of the global pandemic COVID-19. The global pandemic has disrupted economic activities and could have an impact on the demand for energy. Given the dynamic nature of these circumstances, the duration of global economic disruption and the related potential financial impact to the Trust cannot be reasonably estimated at this time. The Trust’s ability to continue to service debt and meet lease and other obligations as they come due is dependent on the continued ability to generate earnings and cash flows. To date, the pandemic has not resulted in any disruptions to the Trust’s assets, operations or financial. However, management is actively monitoring the global situation of the pandemic and the potential effects it may have on the Trust’s financial condition, liquidity, operations, suppliers, customers and the industry in which it operates including applicable energy and Green Certificate prices. As at March 31, 2020, the Trust had current assets in excess of current liabilities of \$2,952,997 (December 31, 2019 - \$950,730), an accumulated deficit of \$66,914,073 (December 31, 2019 - \$68,373,294, and the Trust reported net income from continuing operations of \$1,459,221 for the three months ended March 31, 2020 (March 31, 2019 loss - \$1,378,100).

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2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The accompanying Condensed Interim Consolidated Financial Statements of Jade Power have been prepared in accordance with IAS 34 Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in the Trust’s annual Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards (“IFRSs”) as issued by the IASB have been condensed or omitted. These Condensed Interim Consolidated Financial Statements should be read in conjunction with the Trust’s last annual Consolidated Financial Statements for the year ended December 31, 2019, which include information necessary or useful to understanding the Trust’s business and financial statement presentation. In particular, the Trust’s significant accounting policies were presented in Note 2: Significant Accounting Policies to the Consolidated Financial Statements for the year ended December 31, 2019.

These Condensed Interim Consolidated Financial Statements were authorized by the Board of Directors of the Administrator (the “Board”) for issue on June 1, 2020.

The accounting policies applied in the preparation of these Condensed Interim Consolidated Financial Statements are consistent with those applied and disclosed in the Trust’s Consolidated Financial Statements for the year ended December 31, 2019.

These unaudited Condensed Interim Consolidated Financial Statements were prepared in Canadian Dollars and on a going concern basis under the historical cost method except for certain financial assets and liabilities which are measured at fair value.

In the opinion of management, these unaudited Condensed Interim Consolidated Financial Statements reflect all adjustments, which consist of normal and recurring adjustments necessary to present fairly the financial position as at March 31, 2020 and December 31, 2019 and the results of operations and cash flows for the three months ended March 31, 2020 and March 31, 2019.

Operating results for the three months ended March 31, 2020 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2020.

Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Trust and entities controlled by the Trust. Control is achieved when the Trust is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. All intra-group transactions, balances, income and expenses are eliminated on consolidation. The Consolidated Financial Statements include the accounts of the Trust and the following subsidiaries:

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Name of Subsidiary	Country of Incorporation	Ownership Percentage
Jade Power Holdings Inc.	Canada	100%
Jade Power Holdings 2 Inc.	Canada	100%
Jade Power Holdings 3 Inc.	Canada	100%
Mediterranean Resources Ltd.	Canada	100%
Transeastern Power Coöperatief U.A.	Netherlands	100%
Transeastern Power B.V.	Netherlands	100%
East Wind Farm S.R.L.	Romania	100%
Holrom Renewable Energy S.R.L.	Romania	100%
Transeastern Hidroelectrica Del Ucea SPV I S.R.L.	Romania	100%
Transeastern SPV III S.R.L.	Romania	100%
Transeastern Power Services Limited	Romania	100%
Transeastern Vistea Hidroelectrica SPV IV S.R.L.	Romania	100%
Zagra Hidro A.S.	Romania	100%
Rott Energy A.S.	Romania	100%
SC Corabia Solar S.R.L.	Romania	100%
SC Power L.I.V.E One S.A.	Romania	100%

3. TRADE AND OTHER RECEIVABLES

As at	March 31, 2020	December 31, 2019
Trade receivables	\$ 4,103,569	\$ 2,955,549
VAT and other taxes receivable	3,871,990	3,536,408
Provision for VAT receivable	(258,593)	(244,351)
	\$ 7,716,966	\$ 6,247,606

4. GREEN CERTIFICATES

Pursuant to applicable Romanian legislation, new hydro plants with production capacity of less than 10MW that commenced operations before January 1, 2014, such as Rott, are entitled to receive three Green Certificates for each one MW of energy production that enters the Romanian power grid, with one Green Certificate restricted from trading until March 31, 2017. Projects with production capacity of less than 10MW that were accredited after January 1, 2014, such the Zagra Hidro S.A. project (“**Zagra**”), are entitled to receive 2.3 Green Certificates for each one MW of energy production that enters the Romanian power grid, none of which are restricted from trading. Refurbished hydro projects with capacity of less than 10MW, such as the Transeastern Vistea Hidroelectrica SPV IV S.R.L. project (“**Suha**”), are entitled to receive two

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Green Certificates for each one MW of energy production that enters the Romanian power grid, none of which are restricted from trading.

The Solar Projects are entitled to receive four tradable Green Certificates and two restricted Green Certificates per MWh produced and the Wind Projects are entitled to receive one tradable Green Certificate and 0.35 to 1 restricted Green Certificate per MWh produced. Restricted Green Certificates earned by the Solar Projects are restricted from trading and systematically released between January 1, 2025 and December 31, 2030. Those earned by the Wind Projects were restricted from trading and systematically released between January 1, 2018 and December 31, 2025. The tradable Green Certificates are usually sold in less than one year. Prior to the acquisition of Rott Energy SA (“**Rott**”), the previous owner received financial support from the government. Under applicable Romanian legislation, an energy producer that benefits from the support mechanism of Green Certificates and that receives additional state support may have its entitlement to Green Certificates reduced until the support amounts are paid back in kind via a reduction in Green Certificates issued. Currently, Rott’s entitlement was reduced by 1.04 Green Certificates to 1.96 Green Certificates per MW of energy produced.

The Trust had recorded balances related to Green Certificates as at the dates presented in the table below:

	March 31, 2020	December 31, 2019
Tradeable Green Certificates	\$ 1,827,011	\$ 1,288,640
Restricted Green Certificates		
- current	1,236,486	1,554,167
- long-term	12,887,327	11,947,513
	14,123,813	13,501,680
	\$ 15,950,824	\$ 14,790,320

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5. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Right-of-use Assets	Total
Cost					
Balance, December 31, 2018	\$ 538,217	\$ 28,178,942	\$ 48,010,617	\$ -	\$ 76,727,776
Additions	-	-	6,415	-	6,415
Change in estimate of asset retirement obligation	-	(478,584)	(815,399)	-	(1,293,983)
Transition to IFRS 16	-	(16,634,068)	(28,564,606)	46,419,178	1,220,503
Effect of foreign currency translation	(45,704)	(884,709)	(1,363,025)	(3,731,151)	(6,024,589)
Balance, December 31, 2019	\$ 492,513	\$ 10,181,581	\$ 17,274,002	\$ 42,688,027	\$ 70,636,122
Additions	-	-	-	-	-
Reclassifications	-	-	-	489,305	489,305
Effect of foreign currency translation	(38,679)	(799,607)	(1,356,608)	6,529,732	4,334,837
Balance, March 31, 2020	\$ 453,834	\$ 9,381,974	\$ 15,917,394	\$ 49,707,064	\$ 75,460,265
Accumulated Depreciation					
Balance, December 31, 2018	\$ -	\$ (6,915,002)	\$ (10,195,415)	\$ -	\$ (17,110,417)
Depreciation expense	-	(491,757)	(785,060)	(1,956,098)	(3,232,915)
Transition to IFRS 16	-	6,266,385	9,298,807	(15,565,192)	-
Effect of foreign currency translation	-	600,632	951,670	187,980	1,740,282
Balance, December 31, 2019	\$ -	\$ (539,742)	\$ (729,998)	\$ (17,333,310)	\$ (18,603,050)
Depreciation expense	-	(146,459)	(198,085)	(583,589)	(928,133)
Effect of foreign currency translation	-	33,139	44,820	(1,207,793)	(1,129,834)
Balance, March 31, 2020	\$ -	\$ (653,062)	\$ (883,263)	\$ (19,124,692)	\$ (20,661,017)
Net Book Value					
Balance, December 31, 2019	\$ 492,513	\$ 9,641,839	\$ 16,544,004	\$ 25,354,717	\$ 52,033,072
Balance, March 31, 2020	\$ 453,834	\$ 8,728,912	\$ 15,034,131	\$ 30,582,372	\$ 54,799,248

6. DEBT

i) Lease liabilities

In connection with the acquisition of the Solar Projects and Baia, the Trust assumed leasing contracts with Unicredit Leasing Corporation IFN SA, which were initially entered into for the purpose of financing the construction of the photovoltaic solar plants and windmills.

The interest rate on the leasing contracts on the Solar Projects is currently 5.25% for the remaining years until maturity in 2023. At the end of the contract, the ownership of the photovoltaic plants passes to the Trust for nominal consideration.

The interest rate on the leasing contract on Baia is the three-month Euro Interbank Offered Rate -0.343% (December 31, 2019: -0.414%) plus 5% for the term of the lease, which ends in 2021. At the end of the lease, the ownership of the assets pass to the Trust for nominal consideration.

The capital lease agreements require the Solar Projects and Baia to maintain a debt service reserve account equal to three months debt service obligations.

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As at March 31, 2020, the Trust had \$1,494,061 (December 2019 - \$1,411,778) of restricted cash related to this requirement.

The future minimum lease payments are disclosed in Note 11.

ii) Secured debt facility

On January 20, 2017, the Trust closed \$3,800,000 of a, three-year \$10,000,000 secured debt facility (the “**2017 Secured Debt Facility**”), which is subject to a one-year extension at the option of the Trust under certain conditions. Interest is payable at a rate of 5% per annum, compounding semi-annually. The 2017 Secured Debt Facility also provides for annual additional variable interest payments calculated at 1.14% of the revenues of the Trust’s current Romanian operating Projects, excluding East Wind. The 2017 Secured Debt Facility is secured by a first charge over the assets of each of the Trust and its subsidiaries, with the exception of the East Wind assets. As at March 31, 2020, the balance outstanding on the 2017 Secured Debt Facility was \$3,800,000 (December 31, 2019 - \$3,800,000).

During the fourth quarter of the year ended December 31, 2019, the Trust exercised its option to extend the secured debt facility by one year. The interest rate during the extension period is 7% per annum, payable and compounding semi-annually.

7. UNITS

	Units	Unit value
Balance at December 31, 2018	230,165,170	\$ 103,329,679
Issuance of Units on Settlement of Debt (i)	337,458	26,997
Issuance of Units pursuant to Unit Purchase Plan (ii)	984,567	152,064
Balance at December 31, 2019	231,487,195	\$ 103,508,740
Balance at March 31, 2020	231,487,195	\$ 103,508,740

Unit Activity

- i) In August 2019, the Trust issued 337,458 Units to settle an aggregate of €89,261 (\$134,983) owing to a vendor for services rendered to the Trust.
- ii) In 2019, the Trust issued an aggregate of 984,567 (2018 – 215,930) units to management and directors as part of the Unit purchase plan of the Trust.
- iii) In December 2019, the TSXV approved the purchase, for cancellation of up to 11,525,131 Units, representing 5% of the then issued and outstanding Units, over a 12 month period by way of a normal course issuer bid of the Trust (the “**NCIB**”). All purchases made pursuant to the NCIB will be made through the facilities of the TSXV in open market transactions or by such other means as may be permitted under applicable securities laws and the policies of the TSXV. As at March 31, 2020, Nil Units had been purchased for cancellation.

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- iv) Subsequent to the quarter end, an aggregate of 318,558 unclaimed Units held by the Trustee in a depository account on behalf of former holders of shares of Mediterranean Resources Ltd. (“MNR”) were cancelled pursuant to the terms of the depository agreement entered into between the Trust, MNR and the Trustee dated August 31, 2015.

Warrants

As at March 31, 2020, the Trust had no Unit purchase warrants outstanding. As at December 31, 2019, an aggregate of 45,023,915 2018 Warrants were outstanding with an exercise price of \$0.80.

On January 8, 2020, all previously outstanding 45,023,915 2018 Warrants expired pursuant to their terms. No Unit purchase warrants were exercised or cancelled during the three months ended March 31, 2020 (2019 – Nil).

Options

As at March 31, 2020, the Trust had no options outstanding. As at December 31, 2019, an aggregate of 6,303,348 compensation options were outstanding. Each such compensation option entitled the holder thereof to acquire one Unit at an exercise price of \$0.48 at any time prior to January 8, 2020 and vested immediately upon the date of issuance.

On January 8, 2020, all previously outstanding 6,303,348 compensation options expired pursuant to their terms. No options were exercised or cancelled during the three months ended March 31, 2020 (2019 – Nil).

8. RELATED PARTY TRANSACTIONS

Apart from the transactions disclosed elsewhere in these unaudited Condensed Interim Consolidated Financial Statements, all transactions are in the normal course of business and are recorded at the exchange value agreed to by the related parties. Inter-company transactions and balances are eliminated upon consolidation.

Key management of the Trust consists of members of the board of directors and officers of the Trust and the Administrator. The following table represents related party balances and transactions with directors and officers of the Trust. Accounts payable consist of director fees payable, deferred salaries, advances to the Trust as well as reimbursement of payments of expenses incurred on behalf of the Trust.

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as at	March 31, 2020	December 31, 2019
Accounts payable and accrued liabilities	\$ 266,020	\$ 210,886
	March 31, 2020	March, 31, 2019
for the three months ended	March 31, 2020	March, 31, 2019
Salaries and benefits to officers of the Trust	\$ 315,465	\$ 179,945
Director fees	53,750	53,750

During the year ended December 31, 2019, the Trust issued 984,567 Units to management and directors as part of the Unit purchase plan of the Trust (Note 7ii). There were no Units issued to management and directors during the three months ended March 31, 2020.

Renovatio Group Limited (“RGL”) holds significant influence over the Trust and is a related party. The Trust sells power and Green Certificates to RGL and has operations and maintenance contracts with subsidiaries of RGL. The following tables summarizes related party balances and transactions:

as at	March 31, 2020	December 31, 2019
Trade and other receivables	\$ 1,363,814	\$ 418,031
Accounts payable and accrued liabilities	1,938,000	1,732,765
	March 31 2020	March 31 2019
For the three months ended	March 31 2020	March 31 2019
Sales of electricity	\$ 1,083,733	\$ 741,940
Income from Green Certificates	1,257,426	1,347,022
Operations maintenance and balancing fees	885,885	737,440

9. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

Capital Management

The Trust manages its capital with the objective of ensuring sufficient financial flexibility to achieve the ongoing business objectives, improving and maintaining the operation of Trust assets and the pursuit of accretive acquisitions.

The Trust monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Trust may manage its capital structure by issuing new Units, securing debt financing, acquiring cash through acquisitions or disposing of assets. The capital structure is reviewed by management and the Board on an ongoing basis.

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The Trust considers its capital to be equity, comprising all aspects of Unitholders’ equity. In order to continue to achieve its capital objectives, the Trust will raise additional amounts as needed.

The Trust manages capital through its financial and operational forecasting processes including working capital forecasts and forecasts of future operational cash flows from its projects. The Trust’s budget is regularly updated based on actual experience and summary forecast Information is frequently provided to the Board.

Financial Instruments

The Trust’s financial instruments consist of cash, restricted cash, trade and other receivables (excluding HST and VAT), accounts payable and accrued liabilities, Unit purchase warrant liability, and debt facility. As of March 31, 2020, the Trust had not entered into any derivative contracts (2019 – Nil).

The following table presents the Trust’s assets and liabilities measured and disclosed at fair value classified by the fair value hierarchy:

	Measured at Fair Value		
	Level 1	Level 2	Level 3
March 31, 2020	(\$)	(\$)	(\$)
Financial Assets			
Cash	2,791,730	-	-
Restricted cash	1,494,061	-	-
Trade and other receivables	-	7,716,966	-
Financial Liabilities			
Accounts payable and accrued liabilities	-	5,034,428	-
Debt facilities	-	3,800,000	-
Lease liabilities	-	24,433,099	-
<hr/>			
December 31, 2019	(\$)	(\$)	(\$)
Financial Assets			
Cash	1,801,085	-	-
Restricted cash	1,411,778	-	-
Trade and other receivables	-	6,247,606	-
Financial Liabilities			
Accounts payable and accrued liabilities	-	4,548,513	-
Debt facilities	-	3,800,000	-
Lease liabilities	-	23,145,497	-

The carrying value of trade and other receivables and accounts payable and accrued liabilities approximate their fair values due to the immediate or short-term maturity of these financial instruments. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

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Risk Management Policies

The Trust, through its financial assets and liabilities, is exposed to various risks. The Trust has established policies and procedures to manage these risks, with the objective of minimizing any adverse effect that changes in these variables could have on the Consolidated Financial Statements. The following analysis provides a measurement of risks as at March 31, 2020.

Credit Risk

Credit risk is the risk of financial loss to the Trust if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Trust’s credit risk is primarily attributable to fluctuations in the realizable values of its cash and trade and other receivables and concentration of customers. Customer concentration provides us with certain benefits including long-term predictable cash inflow through long-term energy off-take agreements and long-term Green Certificate sales agreements. Cash accounts are maintained with major international financial institutions of reputable credit and therefore bear minimal credit risk. In the normal course of business, the Trust is exposed to credit risk from its customers and the related trade receivable are subject to normal industry credit risk.

Net revenues including the sale of energy and income from green certificates from our top two customers accounted for 95% of total consolidated revenues including RGL (See Note 8) with 53% of total consolidated revenues and 42% from our second largest customer. Outstanding customer receivables are monitored at each reporting date and any significant outstanding receivables from major customers is analyzed. The Trust evaluates the concentration of risk with respect to trade receivables as high, however, the license of the client to purchase energy does not allow the build-up of uncollected receivables.

The Trust views credit risk on its trade and other receivables as minimal. As at March 31, 2020, all trade receivables were current with an expected credit loss of \$244,351 (2019 – \$244,351).

Liquidity Risk

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they fall due within one year. The Trust’s approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Trust’s reputation. The Trust manages liquidity risk by closely monitoring changing conditions in its investees, participating in the day to day management and by forecasting cash flows from operations and anticipated investing and financing activities. The Trust’s financial liabilities are comprised of its accounts payable and accrued liabilities, warrant liability, debt facility and commitments.

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Foreign Exchange Risk

The Trust is exposed to foreign currency risk through its operations in Romania. The risks and fluctuations are related to cash, capital leases, accounts receivable and accounts payable and loans that are denominated in Romanian Leu and Euro.

The exchange rates for the currencies used in the preparation of the Consolidated Financial Statements were as follow:

CAD to RON	March 31, 2020	March 31, 2019	December 31, 2019
Period end exchange rate	3.0901	3.1599	3.2702
Average exchange rate for the period	3.2419	3.1374	3.1960

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust is exposed to interest rate risk on its fixed interest rate financial instruments. These fixed-rate instruments subject the Trust to a fair value risk.

Commodity Price Risk

Commodity price risk is defined for these purposes as the risk that the fair value of future cash flows of a financial instrument held by the Trust will fluctuate because of changes in commodity prices. The Trust is exposed to commodity price risk related to its revenue recognized and the future realization of Green Certificates.

10. SEGMENT INFORMATION

In accordance with IFRS 8 Operating Segments, the Trust has identified the following operating segments: (i) the Hydro Projects (located in Romania) consist of Rott, Zagra and Suha; (ii) the Solar Projects (located in Romania) consist of Corabia and Power LIVE; (iii) the Wind Projects (located in Romania) consist of Baia and OMV; (iv) digital currencies (located in Romania); and (v) corporate overhead which includes the management of the Projects (located in Romania) and corporate costs for administration of the Trust (located in Canada). The operating segments have been identified based upon the nature of operations and technology used in the generation of electricity. The Trust analyzes the performance of its operating segments based on their operating income (loss), which is defined as revenue less operating expenses.

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Assets and Liabilities by Segment:

	March 31, 2020	December 31, 2019
Assets		
<i>From foreign jurisdictions:</i>		
Hydro Projects	4,047,805	3,886,778
Solar Projects	36,784,570	34,749,234
Wind Projects	43,243,768	38,179,634
	84,076,143	76,815,646
Corporate	1,028,525	1,700,002
Total Assets	\$ 85,104,668	\$ 78,515,648
Liabilities		
<i>From foreign jurisdictions:</i>		
Hydro Projects	1,128,057	1,249,554
Solar Projects	20,480,412	19,651,492
Wind Projects	10,991,842	9,403,180
	32,600,311	30,304,226
Corporate	4,916,879	4,899,371
Total Liabilities	\$ 37,517,190	\$ 35,203,597

Profit (Loss) by Segment:

For the three months ended March 31, 2020	Wind Projects	Hydro Projects	Solar Projects	Corporate Overhead	Total
Revenue	\$ 4,175,962	\$ 111,734	\$ 1,315,691	\$ -	\$ 5,603,387
Total Expenses					
Cost of Sales excluding depreciation	(1,220,743)	(28,966)	(424,621)	-	(1,674,330)
Depreciation	(376,383)	(27,733)	(523,477)	(540)	(928,133)
Corporate Overhead	-	-	-	(558,793)	(558,793)
Other	(361,676)	(11,779)	(412,005)	(142,920)	(928,380)
Discontinued operations	-	(42,152)	-	-	(42,152)
Earnings (Loss) for the period	\$ 2,204,907	\$ 1,104	\$ (44,537)	\$ (702,253)	\$ 1,459,221
For the three months ended March 31, 2019	Wind Projects	Hydro Projects	Solar Projects	Corporate Overhead	Total
Revenue	\$ 3,373,875	\$ 187,462	\$ 1,316,139	\$ -	\$ 4,877,476
Total Expenses					
Cost of Sales excluding depreciation	(830,443)	(51,968)	(436,563)	-	(1,318,974)
Depreciation	(836,589)	(57,279)	(438,373)	(362)	(1,332,603)
Corporate Overhead	-	-	-	(558,793)	(558,793)
Other	(767,895)	(782,945)	(1,301,267)	(60,559)	(2,912,666)
Discontinued operations	-	(132,540)	-	-	(132,540)
Earnings (Loss) for the period	\$ 938,948	\$ (837,270)	\$ (860,064)	\$ (619,714)	\$ (1,378,100)

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11. COMMITMENTS AND CONTINGENCIES

Commitments

In the normal course of business, the Trust enters into contracts that give rise to commitments for future minimum payments. The following table summarizes the remaining contractual maturities of the Trust’s financial liabilities and operating commitments as at March 31, 2020:

	Total	Within 1 year	1 – 3 years	3 – 5 years	Greater than 5 years
Debt					
Principal	\$ 3,800,000	\$ 3,800,000	\$ -	\$ -	\$ -
Fixed interest	266,000	266,000	-	-	-
Variable interest royalty	2,148,717	162,573	340,377	362,425	1,283,342
Lease liabilities					
Principal	25,337,093	2,701,782	8,984,729	12,546,470	1,104,113
Interest	3,740,971	829,602	1,832,382	568,603	510,383
Operational commitments	26,263,027	2,890,579	7,620,358	7,440,118	8,311,973
	\$ 61,555,809	\$ 10,650,536	\$ 18,777,846	\$ 20,917,616	\$ 11,209,811

Operational commitments include asset management and maintenance contracts with RGL, security services and insurance.

Contingencies

Due to the nature and complexity of the Trust’s operations, various legal and tax matters are outstanding from time to time. In the event that the Trust’s estimates of the future resolution of these matters’ changes, the effects of the changes will be recognized in the Consolidated Financial Statements.

12. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

As at March 31, 2020, the Trust concluded that Suha met the criteria for classification as held for sale and discontinued operations. Immediately prior to the classification to assets and liabilities held for sale, the carrying amounts of Suha assets were re-measured to their recoverable amount, being fair market value less costs to sell. The assets and liabilities of Suha are immaterial to the Condensed Interim Consolidated Statements of Financial Position as at March 31, 2020 and for the comparative period as at December 31, 2019 and to the Statement of Net Income and Comprehensive Loss for the three month period ended March 31, 2020 and for the comparative three month period ended March 31, 2019. As such, any remaining immaterial liabilities have not been presented separately.

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13. COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform to the current period's presentation.