HS Orka hf.

Condensed Consolidated
Interim Financial Statements for the
nine months ended 30 September 2017

ISK 000's

HS Orka hf.
Orkubraut 3, Svartsengi
240 Grindavík
kt. 680475-0169

Contents

Endorsement by the Board of Directors and the CEO

The consolidated financial statements of HS Orka hf. (the "Company" or "HS Orka") for the period 1 January to 30 September 2017 are prepared in accordance with the International Accounting Standard, IAS 34, Interim Financial Reporting as adopted by the EU.

According to the consolidated statement of comprehensive income, the Company's operating revenue amounted to ISK 5,442 million for the period 1 January to 30 September 2017 (2016: ISK 5,119 million) and the profit for the period amounted to ISK 3,179 million (2016: ISK 2,714 million). Total comprehensive income amounted to ISK 3,206 million (2016: ISK 2,501 million).

According to the consolidated statements of financial position, the Company's assets amounted to ISK 47,597 million at the end of September 2017 (at year end 2016: ISK 46,951 million). Equity amounted to ISK 34,105 million at the end of September 2017 (at year end 2016: ISK 31,304 million) or 71.7% of total capital (at year end 2016: 66.7%).

Statement of the Board of Directors and the CEO
To the best knowledge of the Board of Directors and the CEO, the Company's condensed consolidated financial statements are in accordance with International Accounting Standard, IAS 34, as adopted by the EU and it is the opinion of the Board of Directors and the CEO that the financial statements give a true and fair view of the Company's assets, liabilities and financial position as at 30 September 2017, its financial performance, and the changes in cash flows during the period 1 January to 30 September 2017.

Furthermore, it is the opinion of the Board of Directors and the CEO that the financial statements and endorsement by the Board of Directors and the CEO contain a fair overview of the Company's financial development and performance, its position and describe the main risk factors and uncertainties faced by the Company.

The Board of Directors and the CEO of HS Orka hf. have today discussed the Company's condensed consolidated interim financial statements for the nine months ended 30 September 2017 and confirmed by means of their signatures

Svartsengi, 8 November 2017

The Board of Directors

Ross Beaty
Chairman of the board

Gylfi Árnason

John Carson

Anna Skúladóttir

Lynda Freeman

Chief Executive Officer

Ásgeir Margeirsson

Independent Auditor´s Review Report

To the Board of Directors and Shareholders of HS Orka hf.

We have reviewed the accompanying condensed consolidated interim statement of financial position of HS Orka hf. as at 30 September 2017 and the related condensed consolidated interim statement of comprehensive income, changes in equity and cash flows for the period then ended, and notes to the condensed consolidated interim financial information. Management is responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting.

Reykjavik, 8 November 2017.

KPMG ehf.

Margret G. Flóvenz

Sigurjón Örn Arnarson

Consolidated Statements of Comprehensive Income for the nine months ended 30 September 2017

	Notes	2017 Q3	2016 Q3	2017 YTD	2016 YTD
Operating revenue	5	1.720.546	1.611.351	5.442.312	5.118.674
Production cost and cost of sales		(1.673.328)	(1.414.316)	(4.898.342)	(4.155.199)
Gross profit		47.218	197.035	543.970	963.475
Other income		0	2.561	0	81.192
Other operating expenses	6	(126.825)	(117.172)	(428.452)	(502.004)
Research and development		7.765	(98.466)	(7.608)	(198.004)
Profit (loss) from operations		(71.842)	(16.041)	107.910	344.660
Finance income		45.001	22.202	79.734	80.513
Finance costs		(104.221)	(20.657)	(185.272)	(195.572)
Net exchange rate differences		(127.709)	447.139	53.001	596.687
Changes in fair value of embedded derivatives		1.255.148	812.421	2.864.409	1.653.050
Net finance income	7	1.068.219	1.261.106	2.811.873	2.134.678
Share of profit of associates		387.075	440.058	843.479	730.325
Profit before income tax		1.383.451	1.685.123	3.763.261	3.209.662
Income tax expense		(199.276)	(249.011)	(583.957)	(495.868)
Net profit for the period		1.184.176	1.436.112	3.179.305	2.713.795
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of defined benefit liability		(15.488)	(9.884)	(43.371)	(53.101)
Tax on items not reclassified to profit or loss		3.098	1.977	8.674	10.620
		(12.391)	(7.907)	(34.697)	(42.481)
Items that may be reclassified subsequently to profit or loss					
Currency translation difference on associates		101.567	(120.107)	61.452	(169.961)
Other comprehensive income (loss) for the period		89.176	(128.014)	26.756	(212.442)
Total comprehensive income		1.273.352	1.308.097	3.206.061	2.501.353
Profit attributable to:					
Owners of the Parent Company		1.184.176	1.436.112	3.179.305	2.713.795
Comprehensive income attributable to:					
Owners of the Parent Company		1.273.352	1.308.097	3.206.061	2.501.353
Earnings per share:					
Basic and diluted earnings per share		0,15	0,18	0,41	0,35

All amounts in thousands of ISK

Consolidated Statements of Financial Position as at 30 September 2017

Assets	Notes	30.9.2017	31.12.2016
Fixed assets			
Operating assets		35.838.444	36.213.477
Operating assets under construction	11	3.783.331	3.399.732
Intangible assets	11	1.643.966	1.643.747
Investments in associates		2.579.105	2.113.797
Investments in other companies		27.075	27.075
Bonds		89.636	59.269
Prepaid lease and royalty fee		524.240	517.736
Long-term receivables		725.387	640.561
		45.211.184	44.615.394
Current assets			
Inventories		471.998	487.444
Trade and other receivables		1.271.128	1.310.279
Restricted cash and cash equivalents	8	0	508.500
Cash and cash equivalents		642.780	29.233
		2.385.905	2.335.456
Total assets		47.597.090	46.950.850
Equity and liabilities			
Equity			
Share capital		7.841.124	7.841.124
Share premium and statutory reserve		7.038.855	7.038.855
Translation reserve		(50.487)	(111.939)
Other reserves		1.348.981	945.125
Revaluation reserve		7.788.352	8.120.761
Retained earnings		10.009.403	7.356.242
Total equity attributable to owners of the parent company		33.976.230	31.190.168
Non-controlling interest		128.922	113.519
Total equity		34.105.152	31.303.687
Liabilities			
Loans and borrowings	9	5.001.102	4.950.857
Pension obligations		2.246.744	2.178.300
Deferred tax liability		2.174.973	1.605.903
Embedded derivatives in power sales contracts		326.516	2.802.385
		9.749.335	11.537.445
Current liabilities			
Loans and borrowings	9	1.313.968	1.798.361
Current tax payable		6.240	0
Trade and other payables		2.399.225	1.899.647
Embedded derivatives in power sales contracts		23.169	411.710
		3.742.602	4.109.718
Total liabilities		13.491.938	15.647.163
Total liabilities and equity		47.597.090	46.950.850

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Statements of Changes in Equity for the nine months ended 30 September 2017

	Share Capital	Share Premium	Translation Reserve	Revaluation Reserve	Other Reserves*	Retained Earnings	**Attributable to Parent**	Non- controlling Interest	**Total Equity**
Equity at 1 January 2016	7.841.124	7.038.855	176.041	8.601.406	0	5.135.258	**28.792.684**	108.617	**28.901.301**
Profit for the period					730.325	1.983.470	**2.713.793**		**2.713.793**
Other comprehensive loss			(169.961)	0		(42.481)	**(212.442)**		**(212.442)**
Total comprehensive income			(169.961)	0	730.325	1.940.989	**2.501.351**	0	**2.501.350**
Share capital increase in subsidiary								4.901	**4.901**
Revaluation reserve transferred to Retained earnings				(370.464)		370.464	**0**		**0**
Dividends declared ISK 0.04 per share						(360.000)	**(360.000)**		**(360.000)**
Equity at 30 September 2016	7.841.124	7.038.855	6.080	8.230.942	0	7.086.710	**30.934.035**	113.518	**31.047.553**
Equity at 1 January 2017	7.841.124	7.038.855	(111.939)	8.120.761	945.125	7.356.242	**31.190.168**	113.519	**31.303.687**
Profit for the period					843.479	2.335.826	**3.179.305**		**3.179.305**
Other comprehensive income			61.452			(34.697)	**26.755**		**26.755**
Total comprehensive income			61.452	0	843.479	2.301.129	**3.206.060**	0	**3.206.060**
Share capital increase in subsidiary								15.403	**15.403**
Revaluation reserve transferred to Retained earnings				(332.409)		332.409			
Dividends received from associates					(439.623)	439.623			
Dividends declared ISK 0.05 per share						(420.000)	**(420.000)**		**(420.000)**
Equity at 30 September 2017	7.841.124	7.038.855	(50.487)	7.788.352	1.348.981	10.009.403	**33.976.228**	128.922	**34.105.151**

*Other reserves include recognized share in profit and loss of subsidiaries and associates which is in excess of received or declared dividend by the subsidiary or the associate in accordance with change made to the Icelandic Financial statements act in the year 2016. Funds in the reserve can not be declared for dividend payments

All amounts in thousands of ISK

Consolidated Statements of Cash Flows for the year nine months 30 September 2017

	2017	2016
Cash flows from operating activities	**YTD**	**YTD**
Profit for the period	3.179.305	2.713.793
Gain on sale of operating assets	0	(81.181)
Increase in pension obligations	25.073	35.013
Depreciation and amortization	1.302.186	1.270.254
Net finance income	(2.811.873)	(2.134.678)
Share of profit of associates	(843.479)	(730.325)
Income tax expense	583.957	495.869
Cash generated by operations	1.435.167	1.568.745
Inventories, decrease, (increase)	15.447	(10.353)
Receivables (increase), decrease	(5.439)	197.243
Current liabilities, increase, (decrease)	202.517	(420.156)
Net cash from operations before interest and taxes	1.647.693	1.335.479
Interest received	2.630	11.156
Interest paid	(211.477)	(150.793)
Net cash provided by operating activities	1.438.845	1.195.842
Cash flows from investing activities		
Acquisition of operating assets	(920.397)	(1.455.278)
Acquisition of operating assets under construction	(297.676)	0
Proceeds from sale of operating assets	0	367.581
Proceeds from sale of intangible assets	0	925
Acquisition of intangible assets	(92.898)	(187.109)
Acquisition of shares in associates	0	(4.000)
Dividends received from associates	439.623	421.517
Proceeds from sale of short-term investments	0	922.407
	(871.348)	66.043
Cash flows from financing activities		
Paid dividends from prior year	(67.205)	0
New short-term borrowings	944.520	0
New long term borrowing	5.162.543	0
Repayment of borrowings	(6.454.683)	(1.568.432)
Restricted cash transferred to disposable funds	472.500	0
Payment of share capital increase in subsidiary	15.403	4.901
	73.078	(1.563.532)
Increase, (decrease) in cash and cash equivalents	640.575	(301.646)
Cash and cash equivalents at 1 January	29.233	841.072
Effect of exchange rate fluctuations on cash held	(27.030)	(52.317)
Cash and cash equivalents at 30 September	642.780	487.109
Investing and financing activities not affecting cash flows		
Unpaid dividends	(420.000)	(360.000)
Current liabilities	420.000	360.000

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Notes to the Condensed Consolidated Financial Statements

1. Reporting entity

HS Orka hf. is a limited liability company domiciled in Iceland. The Company's registered office address is Orkubraut 3, Svartsengi, Grindavík, Iceland. The Company generates and sells electricity as well as hot water for heating. The Company is a subsidiary of Magma Energy Sweden AB. The financial statements of the Company are part of the consolidated financial statements of the ultimate parent company Alterra Power Corp., headquartered in Canada.

The consolidated financial statements of the Company consolidate the financial statements of its subsidiary Vesturverk ehf. (Vesturverk) and the Companys share of associates are accounted for on an equity basis of accounting.

The Company's financial statements can be found at its website www.hsorka.is.

As at September 30, 2017 the Company holds a working capital deficit of ISK 1,357 million (ISK 1,774 million deficit at December 31, 2016). Though the Company projects that it will be able to meet its working capital needs from operating results, it has signed a new loan contract with Arion Bank to provide refinancing of existing loans and financing of expansion and developement projects.

2. Statement of compliance

This condensed interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the last annual financial statements as at and for the year ended 31 December 2016. This condensed interim financial report does not include all the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Financial Statements of 31 December 2016.

These financial statements were authorized for issue by the Board of Directors on 8 November 2017.

3. Significant accounting policies

Except as described below, the accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company in its financial statements as at and for the year ended 31 December 2016.

These condensed consolidated interim financial statements are prepared in Icelandic krona, which is the Company's functional currency and all amounts have been rounded to the nearest thousand. They are based on historical cost, except for the following:
- a part of operating assets is recognized at revalued cost, which was the fair value at the revaluation dates of 1.1.2008, 31.12.2012 and 31.12.2015
- embedded derivatives in power sales contracts are measured at fair value
- financial instruments at fair value through profit or loss are measured at fair value

The Company has adopted all new standards and amendments to standards with a date of initial application prior to or on 1 January 2017 that have been approved by the EU (the European Union). No new standards adopted during the period effected these financial statements.

Notes to the Condensed Consolidated Financial Statements

4. Use of estimate and judgments

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key source of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2016.

5. Segment reporting

The company has three operating segments that are described below:

Power production

Includes production and sale of electricity, heating water and fresh water from subterranean steam.

Electricity sale

Includes purchases and sale of electricity to users other than mass users and power companies.

Other

Includes sale of service, rental of facilities and equipment, and other sales.

9M 2017	Power production	Electricity sale	Other	Total
External revenue	2.027.788	3.288.754	125.770	5.442.312
Inter-segment revenue	814.237			814.237
Total segment revenue	2.842.024	3.288.754	125.770	6.256.549
Segment operating results	(172.814)	684.454	32.331	543.970
Unallocated items				
Research and development				(7.608)
Other operating expenses				(428.452)
Net finance income				2.811.873
Share of profit of associates				843.479
Income tax expense				(583.957)
Net profit for the period				3.179.305
Segment assets	39.302.238	8.085	0	39.310.324
Unallocated assets				8.286.766
Total assets				47.597.090
Unallocated liabilities				13.491.938
Capital expenditures	1.135.083	7.782	0	1.142.865
Unallocated capital expenditures				87.587
Depreciation and amortization	1.272.877	397	0	1.273.274
Unallocated depreciation and amortization				28.912

All amounts in thousands of ISK

Notes to the Condensed Consolidated Financial Statements

5. Segment reporting (continued)

9M 2016	Power production	Electricity sale	Other	Total
External revenue	1.912.120	2.999.594	206.960	5.118.674
Other income			81.192	81.192
Inter-segment revenue	1.080.611	0	0	1.080.611
Total segment revenue	2.992.731	2.999.594	288.152	6.280.477
Segment operating results	278.159	605.948	160.559	1.044.666
Unallocated items				
Research and development				(198.004)
Other operating expenses				(502.004)
Net finance income				2.134.678
Share of profit of associates				730.325
Income tax expense				(495.868)
Net profit for the period				2.713.794
Segment assets	39.907.710	898	14.985	39.923.593
Unallocated assets				7.336.789
Total assets				47.260.382
Unallocated liabilities				16.212.829
Capital expenditures	1.486.109	0	0	1.486.109
Unallocated capital expenditures				85.416
Depreciation and amortization	1.226.432	945	25.856	1.253.233
Unallocated depreciation and amortization				17.021

Major customers (customers with more than 10% of total revenue)

Revenues from one customer of the Company's power production segment amounted to ISK 1,160 million (1.1.2016 - 30.9 2016 ISK 1,044 million).

Revenues from HS Veitur hf. were as follows:

	Power production	Electricity sale	Other	Total
Revenues 1.1. - 30.9.2017	570.458	223.287	1.015	794.761
Revenues 1.1. - 30.9.2016	544.065	237.161	145.792	927.018

6. Other operating expenses

	Q3 2017	Q3 2016	9m 2017	9m 2016
Salaries and related expenses	68.131	56.886	214.332	173.563
Increase in pension fund obligation	4.823	4.582	15.397	15.379
Administrative expenses	42.943	54.244	170.784	297.013
Depreciation and amortization	10.929	1.460	27.939	16.049
	126.825	117.172	428.452	502.004

Decrease in administrative expenses is mostly due to arbitrations costs in 2016

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7. Finance income and expense

Finance income and expenses are specified as follows:

Finance income:

	Q3 2017	Q3 2016	9m 2017	9m 2016
Interest income on cash, loans and receivables	14.634	16.883	49.368	58.856
Fair value changes through profit or loss	30.367	5.320	30.367	21.658
	45.000	22.203	79.734	80.513
Finance cost				
Interest expense	(45.448)	(19.637)	(125.383)	(119.879)
Fees related to prepayment of loans	(58.773)	0	(58.773)	0
Indexation	0	(1.020)	(1.117)	(13.156)
Fair value changes through profit or loss	0	0	0	(62.537)
	(104.221)	(20.657)	(185.272)	(195.572)
Net exchange rate differences	(127.709)	447.140	53.001	596.687
Changes in fair value of embedded derivatives	1.255.147	812.421	2.864.409	1.653.050
	1.068.219	1.261.107	2.811.873	2.134.678

8. Restricted cash

At year end 2016: ISK 509 million (USD 4.5 million)) was classified as restricted, with the repayment of the associated borrowings those restrictions have been removed.

9. Loans and borrowings

During the third quarter of 2017 HS Orka finalized 112 million Euro financing with Arion bank hf (“Arion”). Primary uses of loan proceeds inclusion construction of the 9.9MW Brúarvirkjun hydro project (€32.5 million, the “Construction Facility”), drilling and other field development activities at Reykjanes (€27.5 million, the “Reykjanes Facility”), and the retirement of then outstanding loans (€52.0 million, the “Refinancing Facility”). The facilities agreement with Arion and related documents were signed on 14 September 2017, and initial termination is after 60 months, but all facilities can be extended up to 18 years, subject to meeting certain requirements. The Refinancing Facility has the first repayment after 3 months and is amortized over 18 years, however both the Reykjanes Facility and the Construction Facility are interest only for the first 4 years and then amortized over 14.25 years. The interest rate on the Arion facilities is EURIBOR plus 3.15%. Funding from the Refinancing Facility of ISK 5,170 million was received in September 2017, and the proceeds used to retire existing debt, unused funds (approximately ISK 1,466 million) from the Refinancing Facility expired in October 2017. Funding of the remaining facilities is subject to fulfillment of certain conditions precedent, which were fulfilled after September 30, for the Reykjanes Facility and the first EUR 7,5 million have been drawn on the facility. The loan is recorded at amortized cost net of transaction fees (ISK 5,050 million) and has an effective interest rate of 3,6%.

This note provides information about the contractual terms of the Company’s interest-bearing loans and borrowings, which are measured at amortized cost.

	30.9.2017	31.12.2016
Unsecured bank loans	1.265.012	320.491
Secured bank loans with covenants	5.050.058	6.117.492
Unsecured bond issue	0	311.235
Total interest bearing debt and borrowings	6.315.071	6.749.218
Short-term credit facility	1.034.394	89.873
Current maturities	279.574	1.708.488
Non current debt	5.001.102	4.950.857

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9. Loans and borrowings; continued

Annual maturities loans and borrowings are as follows:

	30.9.2017	31.12.2016
Year 2018/2017	279.574	1.798.361
Year 2019/2018	281.113	1.397.123
Year 2020/2019	282.345	1.397.123
Year 2021/2020	283.576	928.790
Year 2022/2021	5.050.092	685.478
Subsequent	138.371	542.344
	6.315.071	6.749.218

Loans in foreign currency:		1.1-30.09.2017		1.1.-31.12.2016	
	Final due date	Weighted average interest rate	Carrying amount	Weighted average interest rate	Carrying amount
Loans in USD	2019-2023		0	2,41%	1.383.639
Loans in CHF	2021-2022		0	1,39%	2.032.215
Loans in EUR	2019-2022	3,60%	5.050.058	1,99%	1.032.131
Loans in JPY	2021-2023		0	0,81%	668.904
Loans in CAD	2021-2023		0	1,41%	551.617
Loans in SEK	2021		0	1,85%	292.283
Loans in GBP	2021		0	0,71%	156.703
			5.050.058		6.117.492
Loans in ISK:					
Indexed loans in ISK	2017		0	3,80%	311.235
Short-term credit facility	2018	7,20%	1.034.394	8,20%	89.873
Other loans in ISK	2031	6,45%	230.617	6,80%	230.617
			1.265.011		631.725
Total interest-bearing loans and borrowings			6.315.069		6.749.217

Covenants

All effective covenants in the Company´s loan agreements were fulfilled on 30 September 2017.

10. Fair value hierarcy

The table below analyses assets and liabilities carried at fair value, sorted by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie. as prices) or indirectly (ie. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
30 September 2017				
Operating assets			35.838.444	35.838.444
Embedded derivatives		(349.686)		(349.686)
Bonds		89.636		89.636
Investments in other companies			27.075	27.075
Total	0	(260.051)	35.865.519	35.605.469
31 December 2016				
Operating assets			36.213.477	36.213.477
Embedded derivatives		(3.214.095)		(3.214.095)
Bonds		59.269		59.269
Investments in other companies			27.075	27.075
Total	0	(3.154.826)	36.240.552	33.085.726

The fair value of the Company´s financial instruments is cosidered to be equal to their carrying amount

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11. Operating assets under construction

In September 2017 developement cost of Brúarvirkjun, total of ISK 335 million was moved from intangible assets to operating assets under construction.

12. Other matters

Litigation and claims

In February 2016 HS Orka issued a legal letter to HS Veitur hf demanding full payment of the long-term receivable in relation to the shared pension liability. This was following receipt of a termination notice by HS Veitur of an agreement regarding payments of the pension liability, sent on 31 December 2015. The two companies had reached an agreement in 2011 on HS Veitur's share and HS Orka considers its claim on the basis of that agreement to be fully valid. Negotiations have not settled the matter and it is now up to the court to resolve the matter. The court procedings are set to proceed in January 2018 and conclusion is expected in the first quarter of 2018.

Suðurorka

Suðurorka, a company owned 50% by HS Orka and has in recent years been developing á 150 MW hydro project in Skaftá in Southern Iceland, called Búlandsvirkjun. Until now the project has been in the pending category of the framework masterplan in Iceland. Now, however the steering committee for the framework masterplan has delivered its proposal to Althingi, the Icelandic parliament suggesting that Búlandsvirkjun falls in the preservation category. HS Orka strongly disagrees with the proposal and intends to protest against it. The final decision on the renewal of the framework masterplan is in the hands of Althingi and HS Orka believes that there will be, more likely than not, changes made to the proposal before its approval by Althingi. The proposal did not get approved in the last term of the Althingi and HS Orka does not consider it appropriate to write off its investment in Suðurorka at this time. However, that could change should the proposal be approved by Althingi. HS Orka's total investment in Suðurorka at the end of September 2017 was ISK 240 million.

13. Subsequent events

On October 30, 2017, Alterra Power Corp (indirect holder of 53.9% of HS Orka), announced that it had entered into an arrangement agreement pursuant to which Innergex Renewable Energy Inc. will acquire all of the issued and outstanding common shares of the Company for $8.25 per common share. Completion of the transaction is subject to approval of at least 66.7% of the Company's common shares represented in person or by proxy at a special meeting of the Company's shareholders to be called to consider the transaction (expected to be held in December 2017), and satisfaction of other customary approvals, including regulatory, stock exchange and court approvals.