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The main characteristics of the derivative instruments are as follows:

|                         | Swap Transactions |                   | Cap Transactions  |                   |
|-------------------------|-------------------|-------------------|-------------------|-------------------|
|                         | Nov. 2010         | Dec. 2013         | Nov. 2010         | Dec. 2013         |
| Effective date          | 29-Nov-2010       | 25-Feb-2014       | 25-Feb-2018       | 25-Feb-2021       |
| Termination date        | 25-Feb-2018       | 25-Feb-2021       | 25-Aug-2025       | 25-Aug-2028       |
| Current notional amount | US\$51,887,761    | US\$10,991,597    | —                 | —                 |
| Maximum notional amount | US\$56,732,737    | US\$19,410,815    | US\$39,289,122    | US\$11,652,389    |
| Fixed interest rate     | 3.63%             | 3.36%             | 4.75%             | 3.36%             |
| Variable interest rate  | US Libor-6 months | US Libor-6 months | US Libor-6 months | US Libor-6 months |

#### 14. Decommissioning and restoration provisions

The Company has recognized a provision for decommissioning obligations associated with its wind farm. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the wind farm from the site and the expected timing of those costs. Energía Eólica estimates that the decommissioning costs would be realized in 22 years' time upon the expiration of the PPA. The Company calculates the provision using the discounted cash flow method based on the following assumptions: a) current estimated range of cost per wind turbine, and b) discount rate.

The restoration provision reflects the costs estimated by the Company to comply with the environmental reforestation plan described in Note 19.2. The Company also calculates the provision using the discounted cash flow method.

The roll-forward of the decommissioning and restoration provisions is as follows:

|  | 2014              | 2013              |
|--|-------------------|-------------------|
| Balance at beginning of year                           | \$ 467,971        | \$ 558,908        |
| Unwinding of discount and changes in the discount rate | 324,617           | (90,937)          |
| Balance at year end                                    | <u>\$ 792,588</u> | <u>\$ 467,971</u> |

#### 15. Equity

##### Share capital

As of December 31, 2014 and 2013 the number of authorized common shares was 13,190,969 with a par value of L100 each. As of December 31, 2014 and 2013 the authorized, registered and paid share capital amounts to US\$48,000,856 that is represented by 7,277,516 common shares.

As of December 31, 2014 and 2013 the totality of share capital is securing the loan agreements between the Company, Ex-Im Bank and CABEL (Note 10).

##### Contributed capital

Contributed capital is comprised of contributed cash, in addition to the share capital, received from the shareholders. Shareholders have increased or decreased their capital contributions depending on the capital needs to develop the Company's projects.

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