

SHARE PURCHASE AGREEMENT

THIS AGREEMENT made as of the 30th day of October, 2018.

B E T W E E N:

UNION GROUP INTERNATIONAL HOLDINGS LIMITED, a corporation incorporated under the laws of the British Virgin Islands (the "**Seller**")

- A N D -

ANDEAN POWER GENERATION LIMITED, a corporation incorporated under the laws of the British Virgin Islands (the "**Purchaser**")

- A N D -

POLARIS INFRASTRUCTURE INC., a corporation incorporated under the laws of the Province of British Columbia, Canada ("**Polaris**")

RECITALS

- A. Pursuant to a share capitalization agreement dated on or about the date hereof, the Seller has capitalized a loan (the "**Capitalization**") in the aggregate amount of [REDACTED] (the "**Loan**") made by the Seller to Andean Power Generation S.A.C., a company incorporated under the laws of the Republic of Peru (the "**Corporation**") as evidenced by that certain loan agreement dated [REDACTED].
- B. Following the Capitalization, the Seller is the legal owner of 26,450,019 shares represented by a provisional share certificate (the "**Purchased Shares**") in the capital of the Corporation, representing 47.04% of all of the issued and outstanding shares in the capital of the Corporation.
- C. The Purchaser has agreed to purchase for value all of the Purchased Shares from the Seller on the terms and conditions set out herein.

IN CONSIDERATION OF the mutual covenants, agreements, warranties and payments herein set out and provided for, the parties hereto hereby respectively covenant and agree as follows:

ARTICLE 1 DEFINED TERMS AND INTERPRETATION

1.1 When used herein or in any amendments hereto, the following terms shall have the following meanings respectively:

"**8 de Agosto Project**" means the 8 de Agosto hydroelectric project located in the Monzon district, Huamalies province, Peru;

"**Action**" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, notice of assessment, notice or reassessment or investigation of any nature, civil, criminal, administrative, investigative, regulatory or otherwise, whether at law or in equity;

"**Actual Knowledge**" has the meaning set forth in Section 7.2;

"Affiliate" when used to indicate a relationship with a specified Person, means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person and a Person shall be deemed to be controlled by another Person if controlled in any manner whatsoever that results in control in fact by that other Person (or that other Person and any Person or Persons with whom that other Person is acting jointly or in concert), whether directly or indirectly. For the purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management and policies of that Person directly or indirectly, whether through ownership of securities, by trust, by contract or otherwise; and the term "controlled" has a corresponding meaning; *provided that*, in any event, any Person that owns directly, indirectly or beneficially 50% or more of the securities having voting power for the election of directors or other governing body of a corporation or 50% or more of the partnership interests or other ownership interests of any other Person will be deemed to control that Person;

"Agreement" means this Agreement and any instrument supplemental or ancillary hereto; and the expressions "**Article**", "**section**", and "**subsection**" followed by a number means and refers to the specified Article, section or subsection of this Agreement;

"Business Day" means any day except Saturday, Sunday or any other day on which banks located in Toronto (Canada), Lima (Peru), Montevideo (Uruguay) or Madrid (Spain) are authorized or required by law to be closed for business;

"Capitalization" has the meaning set forth in Recital A;

"Closing" means the closing of the transactions contemplated by this Agreement which shall occur on the Closing Date;

"Closing Date" means October 30, 2018 or such later date as may be mutually acceptable to the parties hereto;

"COD" means the latter of the dates on which the each of the GA Projects achieves commercial operation as certified by the System Economic Operation Committee (*Comité de Operación Económica del Sistema*);

"Corporation" has the meaning set forth in Recital A;

"El Carmen Project" means the El Carmen hydroelectric project located in the Monzon district, Huamalies province, Peru;

"Encumbrances" means any liens, pledges, security interests, charges, adverse claims, encumbrances, agreements, options, voting trusts, proxies and other arrangements or restrictions of any kind;

"Final Payment" has the meaning set forth in Section 2.2(b);

"GA Projects" means, collectively, the El Carmen Project and the 8 de Agosto Project;

"Governmental Authority" means: (a) any court, tribunal, judicial body or arbitral body or arbitrator; (b) any domestic or foreign government or supranational body or authority whether multinational, national, federal, provincial, territorial, state, municipal or local and any governmental agency, governmental authority, governmental body, governmental bureau, governmental department, governmental tribunal or governmental commission of any kind whatsoever; (c) any subdivision or authority of any of the foregoing; (d) any quasi-governmental or private body or public body exercising any regulatory,

administrative, expropriation or taxing authority under or for the account of the foregoing; (e) any stock or securities exchange; and (f) any public utility authority;

“Governmental Order” means any order, writ, judgment, injunction, decree, stipulation, determination, award, decision, sanction or ruling entered by or with any Governmental Authority;

[REDACTED]

[REDACTED]

“Indemnified Party” has the meaning set forth in Section 7.4;

“Indemnifying Party” has the meaning set forth in Section 7.4;

“Interim Period” means the period of time from and including the date of this Agreement to the Closing Date;

“Loan” has the meaning set forth in Recital A;

“Losses” means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including legal fees, disbursements and charges on a solicitor-client basis and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers; provided that “Losses” shall not include punitive or exemplary damages, except in the case of fraud or to the extent actually awarded to a Governmental Authority or other third party;

“Market Price” means the volume weighted average trading price of the Payment Shares on the Toronto Stock Exchange for the five trading day period immediately preceding the Closing Date per Payment Share;

“Material Adverse Effect” means any event, occurrence, fact, condition or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to: (a) the Purchased Shares; (b) the financial condition of the Corporation; or (b) the ability of the Seller to consummate the transactions contemplated hereby on a timely basis;

[REDACTED]

“Payment Shares” shall mean common shares in the capital of Polaris based on the price equal to the Market Price;

“Person” means an individual, corporation, company, limited liability company, body corporate, partnership, joint venture, Governmental Authority, unincorporated organization, trust, association or other entity;

“Peruvian Certificate of Recovery of Invested Capital” means the tax basis certificate (*Certificado de Recuperación de Capital Invertido*) that the Seller must obtain from the Peruvian Tax Administration (SUNAT), to certify the cost of the Purchased Shares. In any case, it is understood that the Seller has obtained this certificate if, once the application has been filed with the tax administration, a period of 30 days elapses without obtaining a resolution.

“Polaris” has the meaning set forth in the preamble;

“PPA” means the concession agreement for the Supply of Renewable Energy to the Peruvian National Grid (*Sistema Eléctrico Interconectado Nacional*), executed on

[REDACTED];

“Purchase Price” has the meaning set forth in Section 2.1;

“Purchased Shares” has the meaning set forth in Recital B;

“Purchaser” has the meaning set forth in the preamble;

“Purchaser Indemnitees” has the meaning set forth in Section 7.2;

“Representative” means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, lawyers, accountants and other agents of such Person;

[REDACTED]

“Seller” has the meaning set forth in the preamble;

“Seller Indemnitees” has the meaning set forth in Section 7.3;

“Share Acquisition Proposal” has the meaning set forth in Section 5.3(a);

“Share Purchase Agreement” has the meaning set forth in Section 3.10;

“Third-Party Claim” has the meaning set forth in Section 7.4(a);

“Transactions” means the completion of all of the transactions set forth in the step plan memorandum attached hereto as Exhibit A; and

“Trust Agreement” means the amended and restated guaranty trust agreement (*Modificación Integral del Contrato de Fideicomiso en Garantía sobre Activos, Concesiones y Acciones*) over assets, concessions and shares dated

[REDACTED]

1.2 **Currency.**

- (a) Unless otherwise specified, all dollar amounts expressed in this agreement refer to U.S. currency.
- (b) Where any amount has been calculated or determined in Canadian dollars, the amount shall be converted to U.S. dollars using the 10-day average noon rate of exchange published by the Bank of Canada in effect on the date of conversion.

1.3 **Negative Dollar Amounts.**

All dollar amounts expressed in parentheses in this Agreement shall refer to a negative dollar amount.

ARTICLE 2 PURCHASE AND SALE

2.1 Subject to the terms and conditions hereof, (a) at the Closing, the Seller shall sell, transfer and assign to the Purchaser, and the Purchaser shall purchase and receive from the Seller, all of the Seller's right, title and interest in and to the Purchased Shares, and (b) on the date referenced in Section 2.2(a)(ii), subject to the receipt by the Purchaser from the Seller of a Peruvian Certificate of Recovery of Invested Capital, Polaris, who will be the ultimate indirect parent of the Purchaser upon completion of the Transactions, on behalf of the Purchaser, shall pay the Seller an aggregate amount of the Final Payment in accordance with and subject to Section 2.2 (collectively, the "**Purchase Price**").

2.2 **Purchase Price.** The Purchase Price for the Purchased Shares shall be satisfied by the issuance to the Seller of Payment Shares in accordance with the Market Price, on the following basis:

- (a) \$250,000 per each GWh in excess of 180 GWh generated by the GA Projects, measured based on the annual average delivery to the Peruvian National Grid (*Sistema Eléctrico Interconectado Nacional*) during the first two years following COD, and which amount shall be (i) up to a aggregate maximum of \$5,100,000 and (ii) payable on the date that is no later than 90 days following the two year anniversary date of COD (the "**Final Payment**").
- (b) For greater certainty, any amount of Payment Shares payable to the Seller under this Agreement shall not be duplicative of any amount payable by Polaris to the Seller pursuant to the transfer agreement entered into between the Seller, the Corporation and Polaris entered into on the date hereof.

2.3 **Payment of Purchase Price.**

- (a) The Seller shall receive that number of Payment Shares in accordance with and on the dates referenced in Section 2.2(a) and (b).
- (b) Upon payment of the Final Payment, Polaris shall deliver the Payment Shares for the Final Payment free and clear of all Encumbrances, in each case, through the electronic deposit system of CDS, another electronic book-based system or on share certificates.

2.4 **Immediately upon Closing**, the Purchaser shall promptly and diligently issue or register, as appropriate, at the Purchaser's sole expense, all assignments and notices necessary to effect the sale transactions described in this Agreement. The Purchaser shall be solely responsible for, and shall promptly pay if and when due and payable, all transfer, filing and recording fees and all taxes, costs and expenses, if any, with respect to the sale transactions described in this Agreement, and the filing, recording or registration of any document or instrument contemplated hereby, and shall promptly reimburse the Seller in the event that the Seller is called upon to pay such amounts. The Seller authorizes and directs the Purchaser at the Purchaser's sole cost and expense to file any and all notices, amendments or registrations of any nature or kind (including any discharges to security interests) under any personal property security legislation of any jurisdiction in which such a registration was made and any other registrations which may be outstanding against the Corporation in favour of the Seller as of the Closing Date.

2.5 The Purchaser and Polaris do not assume and will not be liable for any taxes whatsoever that may be or become payable by the Seller including any income or corporation taxes resulting from or arising as a consequence of the sale by the Seller to the Purchaser of the Purchased Shares.

ARTICLE 3 COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller covenants, represents and warrants as follows and acknowledges that the Purchaser is relying upon such covenants, representations and warranties in connection with the purchase by the Purchaser of the Purchased Shares:

3.1 The Seller is a corporation duly incorporated and existing under the laws of the British Virgin Islands and has not been discontinued or dissolved under such laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution.

3.2 The Seller has the corporate power and capacity to execute and deliver this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The Seller has obtained all necessary corporate approvals for the execution and delivery of this Agreement, the performance of its obligations hereunder and the consummation of the transactions contemplated hereby. This Agreement has been duly authorized, executed and delivered by the Seller and (assuming due authorization, execution and delivery by the Purchaser) constitutes the Seller's legal, valid and binding obligation, enforceable against the Seller in accordance with its terms.

3.3 The Purchased Shares have been duly authorized, are fully paid and non-assessable, and the Seller is the registered and beneficial owner thereof. Other than the Trust Agreement, the Purchased Shares are free and clear of all Encumbrances. Upon consummation of the transactions contemplated by this Agreement, the Purchaser shall own the Purchased Shares, free and clear of all Encumbrances, except for the Trust Agreement.

3.4 There are no actions, suits, claims, investigations or other legal or administrative proceedings pending or, to the knowledge of the Seller, threatened against or by the Seller that challenge or seek to prevent, enjoin or otherwise delay the ability for the Seller to complete the purchase and sale of the Purchased Shares as contemplated by this Agreement.

3.5 The consummation of the transactions contemplated by this Agreement, including without limitation the sale, transfer and assignment of the Purchased Shares to or for the benefit of the Purchaser pursuant to this Agreement and the fulfillment of or compliance with the terms and conditions of this Agreement shall not (i) result in the breach of any term or provision of the charter document or by-laws of the Seller, (ii) result in the breach of any term or provision of, or conflict with or constitute a default under, or result in the acceleration of any obligation under, any material agreement, indenture, loan or credit agreement or other instrument to which the Seller, or, to the knowledge of the Seller, the Corporation or their respective properties are subject, or (iii) result in the violation of any law, statute, rule, regulation, order, judgment, or decree to which the Seller or its property is subject, including all requirements of privacy legislation, mortgage brokerage and anti-money laundering legislation application to the Seller.

3.6 The Seller represents and warrants that the business of Generación Andina S.A.C. has been carried on in the ordinary course since September 30, 2018, and the Seller covenants that the working capital of Generación Andina S.A.C. as at the Closing Date shall be not less than \$ [REDACTED].

3.7 No consent, approval, authorization, or order of any third party, court or governmental agency or body relating to the transactions contemplated by this Agreement and the transfer of title to the Purchased Shares to the Purchaser, is required by the Seller or, if required, such consent, approval, authorization, or order has been or shall, prior to the applicable Closing Date, be obtained, except for any registration of the transfer of the Purchased Shares to or for the benefit of the Purchaser pursuant to this Agreement.

3.8 No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Seller.

3.9 The Seller has not taken any intentional steps to prevent the disclosure of information to the Purchaser and the Seller has not taken steps to intentionally avoid obtaining knowledge of the Purchased Shares or the business and affairs of the Corporation which would otherwise be material to the Purchaser's assessment of the transactions contemplated by this Agreement.

3.10 There is no event or circumstance which the Seller has not disclosed to the Purchaser that could reasonably be expected to have a Material Adverse Effect and, notwithstanding the information disclosed by the Seller to the Purchaser as part of the Purchaser's due diligence in connection with this Agreement and the transactions contemplated by this Agreement, whether through a data room or otherwise, the Seller has expressly informed the Purchaser in writing of any facts, matters, circumstances, documents or other information of any kind which have caused or may cause a Material Adverse Effect.

3.11 The representations and warranties of the Seller contained in Article III of the share purchase agreement between the Seller and Polaris dated on or about the date hereof (the "**Share Purchase Agreement**") are hereby incorporated by reference into this Agreement for the benefit of the Purchaser and Polaris and shall constitute representations and warranties of the Seller as if the Seller has given such representations and warranties hereunder.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

4.1 The Purchaser is a corporation duly incorporated and existing under the laws of the British Virgin Islands and has not been discontinued or dissolved under such laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution.

4.2 The Purchaser has the corporate power and capacity to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery by the Purchaser of this Agreement, the performance by the Purchaser of its obligations hereunder and the consummation by the Purchaser of the transactions contemplated hereby have been duly authorized by all requisite corporate approvals on the part of the Purchaser. This Agreement has been duly executed and delivered by the Purchaser and (assuming due authorization, execution and delivery by the Seller) this Agreement constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms.

4.3 No governmental, administrative or other third-party consents or approvals are required by or with respect to the Purchaser in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

4.4 There are no actions, suits, claims, investigations or other legal proceedings pending or, to the knowledge of the Purchaser, threatened against or by the Purchaser that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement.

4.5 No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Purchaser.

ARTICLE 5

INTERIM PERIOD COVENANTS

5.1 Conduct of Business Before the Closing

From the date hereof until the Closing, except as otherwise provided in this Agreement or consented to in writing by Purchaser (which consent shall not be unreasonably withheld or delayed), the Seller shall

- (a) preserve, maintain and perform all of its obligations in connection with the Purchased Shares;
- (b) defend and protect the Purchased Shares from infringement, usurpation or Encumbrances; and
- (c) not take or permit any action that would cause any of the changes, events or conditions described in this Section 5.1 to occur.

5.2 Access to Information

From the date hereof until the Closing, the Seller shall: (a) afford the Purchaser and its Representatives full and free access to and the right to inspect all documents relating to the Purchased Shares; (b) furnish the Purchaser and its Representatives with such financial, operating and other data and information related to the Purchased Shares as the Purchaser may reasonably request; and (c) instruct the Representatives of the Seller to cooperate with the Purchaser in its investigation of the Purchased Shares. Any investigation under this Section 5.2 shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of the Seller. No investigation by the Purchaser or other information received by the Purchaser shall operate as a waiver or otherwise affect any representation, warranty or agreement given or made by the Seller in this Agreement.

5.3 No Solicitation of Other Bids

- (a) The Seller shall not, and shall not authorize or permit any of its Affiliates or any of its or their Representatives to, directly or indirectly: (i) encourage, solicit, initiate, facilitate or continue inquiries regarding a Share Acquisition Proposal (as defined below); (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Share Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding a Share Acquisition Proposal. The Seller shall immediately cease and cause to be terminated, and shall cause its Affiliates and all of their Representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any Person conducted heretofore with respect to, or that could lead to, a Share Acquisition Proposal. For purposes hereof, "**Share Acquisition Proposal**" shall mean any inquiry, proposal or offer from any Person (other than Purchaser or any of its Affiliates) concerning the acquisition, assumption, redemption or transfer of the Purchased Shares or of any of them and/or the imposition of any Encumbrance on the Purchased Shares or any of them, other than the Trust Agreement.
- (b) In addition to the other obligations under this Section 5.3, the Seller shall promptly (and in any event within three (3) Business Days after receipt thereof by the Seller or its Representatives) advise the Purchaser orally and in writing of any: (i) Share Acquisition Proposal, any request for information with respect to any Share Acquisition Proposal or any inquiry with respect to or which could reasonably be expected to result in a Share Acquisition Proposal; (ii) the material terms and conditions of such request, Share Acquisition Proposal or inquiry; and (iii) the identity of the Person making the same.
- (c) The Seller agrees that the rights and remedies for non-compliance with this Section 5.3 shall include having such provision specifically enforced by any court of competent

equitable jurisdiction, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to Purchaser and that monetary damages would not provide an adequate remedy for Purchaser.

5.4 Notice of Certain Events

- (a) From the date hereof until the Closing, the Seller shall promptly notify the Purchaser in writing of any:
 - (i) fact, circumstance, event or action, the existence, occurrence or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by the Seller hereunder not being true and correct, or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Article 6 to be satisfied;
 - (ii) notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;
 - (iii) notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement; and
 - (iv) Actions commenced or threatened against, relating to or involving or otherwise affecting the Seller that relate to the consummation of the transactions contemplated by this Agreement.
- (b) The Purchaser's receipt of information under this Section 5.4 shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by the Seller in this Agreement.

5.5 Confidentiality

From and after the Closing, the Seller shall, and shall cause its Affiliates to, hold, and shall use its reasonable best efforts to cause its or their respective Representatives to hold, in confidence any and all information, whether written or oral, concerning the Purchased Shares and the Transactions (including the transactions contemplated by this Agreement), except to the extent that the Seller can show that such information: (a) is generally available to and known by the public through no fault of the Seller, any of its Affiliates or any of their respective Representatives; or (b) is lawfully acquired by the Seller, any of its Affiliates or any of their respective Representatives from sources that are not prohibited from disclosing such information by a legal, contractual or fiduciary obligation. If the Seller, any of its Affiliates or any of their respective Representatives are compelled to disclose any information by judicial or administrative process or by other requirements of law, the Seller shall promptly notify the Purchaser in writing and shall disclose only that portion of such information that the Seller is advised by its counsel in writing is legally required to be disclosed; provided that the Seller shall use its reasonable best efforts to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

5.6 Closing Conditions

During the Interim Period, each party hereto shall use its reasonable best efforts to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in Article 6.

5.7 **Public Trading**

The Seller shall comply with all securities laws with respect to the Payment Shares received pursuant to this Agreement. The Seller shall not trade any of the Payment Shares received pursuant to the terms of this Agreement until the date that is one year after their issuance.

5.8 **Further Assurances**

Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

ARTICLE 6 CONDITIONS TO CLOSING

6.1 **Conditions to Obligations of All Parties**

The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or before the Closing, of each of the following conditions:

- (a) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Governmental Order which is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following the completion thereof.

6.2 **Conditions to Obligations of the Purchaser**

The obligations of the Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Purchaser's waiver, at or before the Closing, of each of the following conditions:

- (a) The representations and warranties of the Seller contained in this Agreement and any certificate or other writing delivered pursuant hereto shall be true and correct in all material respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The Purchaser shall have received a certificate of an authorized representative (or equivalent officer) of the Seller certifying (A) the truth and accuracy as of the date of Closing of all of the representations and warranties of the Seller made in or pursuant to this Agreement; and (B) that all obligations, covenants and agreements contained in this Agreement to be performed by the Seller at or prior to Closing have been performed or complied with.
- (b) The Seller shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it before or on the Closing Date.
- (c) No Action shall have been commenced against the Purchaser or the Seller that would prevent the Closing. No injunction or restraining order shall have been issued by any Governmental Authority and be in effect, which restrains or prohibits any transaction contemplated hereby.

- (d) All approvals, consents and waivers required to be obtained in connection with the transfer of the Purchased Shares shall have been obtained and received, and executed counterparts thereof shall have been delivered to the Purchaser, at or before the Closing.
- (e) From the date of this Agreement to the Closing Date, there shall not have occurred any Material Adverse Effect, nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, could reasonably be expected to result in a Material Adverse Effect.
- (f) All of the Transactions shall have been completed before or concurrently with this Agreement.
- (g) Purchaser shall have received a certificate, dated the Closing Date and signed by a duly authorized executive officer of the Seller, that each of the conditions set forth in Section 6.1 and Section 6.2 has been satisfied and certifying that attached thereto are true and complete copies of all resolutions, if applicable, adopted by the shareholder(s) and the board of directors of the Seller, authorizing the execution, delivery and performance of this Agreement and related documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.
- (h) Delivery by the Seller of share certificates representing the Purchased Shares, free and clear of all Encumbrances, duly endorsed in blank or accompanied by forms of share transfers or other instruments of transfer duly executed in blank.
- (i) Delivery of any stock transfer powers or other required powers of attorney in connection with the transfer of the Purchased Shares.
- (j) The Seller shall have delivered to the Purchaser a certificate of compliance (or its equivalent) in respect of the Seller from the applicable Governmental Authority in the jurisdiction of incorporation of the Seller.
- (k) Both the 8 de Agosto Project and El Carmen Project concession agreements for the supply of renewable energy to the National Interconnected Electricity Network are valid and in force at the time of Closing.
- (l) Execution of agreement with [REDACTED]
[REDACTED]
[REDACTED]
- (m) Execution of an agreement with [REDACTED]
[REDACTED]
- (n) Execution of an addendum to the PPA with the Ministry of Energy and Mines in Peru.
- (o) A communication signed by the Seller, addressed to the Corporation's general manager (*Gerente General*), informing the general manager of the transfer of the Purchased Shares and instructing it to register such transfer in the Corporation's share ledger (*Libro de Matrícula de Acciones*).
- (p) The Seller shall have delivered to the Purchaser and Polaris, in a form acceptable to the Purchaser, a lock-up agreement with respect to the Payment Shares.

- (q) Any other consents as may be determined by the Purchaser, acting reasonably, necessary to properly effect the purchase of the Purchased Shares as contemplated by this agreement, all in form and substance satisfactory to the Purchaser and Polaris.
- (r) The Seller shall have delivered to the Purchaser such other documents or instruments as the Purchaser reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

6.3 Conditions to Obligations of the Seller.

The obligations of the Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Seller's waiver, at or before the Closing, of each of the following conditions:

- (a) The representations and warranties of the Purchaser contained in this Agreement and any certificate or other writing delivered pursuant hereto shall be true and correct in all material respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The Seller shall have received a certificate of the secretary (or equivalent officer) of the Purchaser certifying (A) the truth and accuracy as of the date of Closing of all of the representations and warranties of the Purchaser made in or pursuant to this Agreement; and (B) that all obligations, covenants and agreements contained in this Agreement to be performed by the Purchaser at or prior to Closing have been performed or complied with.
- (b) The Purchaser shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it before or on the Closing Date.
- (c) No injunction or restraining order shall have been issued by any Governmental Authority, and be in effect, which restrains or prohibits any material transaction contemplated hereby.
- (d) The Seller shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of the Purchaser, that each of the conditions set forth in Section 6.1 and Section 6.3 has been satisfied and certifying that attached thereto are true and complete copies of all resolutions adopted by the board of directors of the Purchaser authorizing the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby.

ARTICLE 7 INDEMNIFICATION

7.1 Survival

Subject to the limitations and other provisions of this Agreement, the representations and warranties set out herein shall survive the Closing and shall remain in full force and effect until the date that is 36 months from the Closing Date. All covenants and agreements of the parties set out herein shall survive the Closing indefinitely or for the period explicitly specified therein. Notwithstanding the foregoing, any

claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party before the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved or the expiry of the limitation period under applicable law, whichever is sooner.

7.2 Indemnification by the Seller

Subject to the other terms and conditions of this Article 7, the Seller shall indemnify and defend each of the Purchaser, Polaris and their respective Affiliates and their respective Representatives (collectively, the "**Purchaser Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Purchaser Indemnitees based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of the Seller contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Seller under this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date); or
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Seller under this Agreement.

Notwithstanding the foregoing, the Purchaser shall not be entitled to indemnification under this Section 7.2 with respect to any inaccuracy in or breach of any representation or warranty of the Seller incorporated by reference in this Agreement pursuant to Section 3.9 if the Purchaser or Polaris has already claimed and received such Losses pursuant to the indemnification provisions contained within the Share Purchase Agreement.

The Seller's representations and warranties are subject to and are qualified by, and the liability of the Seller in respect of any breach of any representations and warranties given by it shall be reduced or extinguished (as the case may be) to the extent that the breach arises in connection with:

- (a) a matter or circumstance
 - (i) of which the Purchaser has Actual Knowledge as at the date of this Agreement;
 - (ii) that has been fairly disclosed in any disclosure schedules appended hereto on the date hereof;
- (b) any other matters or circumstances that have been expressly brought to the attention of the chief executive officer or the chief financial officer of the Purchaser in writing; or
- (c) any information that the Purchaser has obtained as a result of standard public record searches conducted by the Purchaser or its counsel.

For the purposes of this Agreement, the term "**Actual Knowledge**" means the actual knowledge of the chief executive officer and the chief financial officer of the Purchaser, without having made any inquiries.

7.3 Indemnification by the Purchaser.

Subject to the other terms and conditions of this Article 7, the Purchaser shall indemnify and defend the Seller and its Affiliates and their respective Representatives (collectively, the “**Seller Indemnitees**”) against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Seller Indemnitees based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of the Purchaser contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Purchaser under this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date); or
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Purchaser under this Agreement.

7.4 Indemnification Procedures

The party making a claim under this Article 7 is referred to as the “**Indemnified Party**”, and the party against whom such claims are asserted under this Article 7 is referred to as the “**Indemnifying Party**”.

- (a) **Third-Party Claims.** If any Indemnified Party receives notice of the assertion or commencement of any Action made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a “**Third-Party Claim**”) against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 calendar days after receipt of such notice of such Third Party Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall describe the Third Party Claim in reasonable detail, include copies of all material written evidence thereof and indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party, to assume the defence of any Third Party Claim at the Indemnifying Party’s expense and by the Indemnifying Party’s own counsel, and the Indemnified Party shall cooperate in good faith in such defence; provided that, if the Indemnifying Party is the Seller, such Indemnifying Party shall not have the right to defend or direct the defence of any such Third Party Claim that seeks an injunction or other equitable relief against the Indemnified Party. If the Indemnifying Party assumes the defence of any Third Party Claim, subject to Section 7.4(b), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counter-claims pertaining to any such Third Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party shall have the right to participate in the defence of any Third Party Claim with counsel selected by it subject to the Indemnifying Party’s right to control the defence thereof. The fees and disbursements of such counsel shall be at the expense of the Indemnified Party; provided that, if in the reasonable opinion of

counsel to the Indemnified Party, (A) there are legal defences available to an Indemnified Party that are different from or additional to those available to the Indemnifying Party, or (B) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party shall be liable for the reasonable fees and expenses of counsel to the Indemnified Party in each jurisdiction for which the Indemnified Party determines counsel is required. If the Indemnifying Party elects not to compromise or defend such Third Party Claim, fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement or fails to diligently prosecute the defence of such Third Party Claim, the Indemnified Party may, subject to Section 7.4(b), pay, compromise, defend such Third Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third Party Claim. The Seller and the Purchaser shall cooperate with each other in all reasonable respects in connection with the defence of any Third Party Claim, including making available (subject to the provisions of Section 5.5) records relating to such Third Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defence of such Third Party Claim.

- (b) **Settlement of Third-Party Claims.** Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third Party Claim without the prior written consent of the Indemnified Party, except as provided in this Section 7.4(b). If a firm offer is made to settle a Third Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within 10 days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third Party Claim and, in such event, the maximum liability of the Indemnifying Party as to such Third Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume the defence of such Third Party Claim, the Indemnifying Party may settle the Third Party Claim upon the terms set forth in such firm offer to settle such Third Party Claim. If the Indemnified Party has assumed the defence under Section 7.4(a), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).
- (c) **Direct Claims.** Any Action by an Indemnified Party on account of a Loss which does not result from a Third Party Claim (a "**Direct Claim**") shall be asserted by the Indemnified Party giving the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 days after the Indemnified Party becomes aware of such Direct Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have 30 days after its receipt of such notice to

respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such 30 day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

7.5 Payments

Once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable under this Article 7 the Indemnifying Party shall satisfy its obligations within 15 Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds. The parties agree that, if the Indemnifying Party does not make full payment of any such obligations within such 15-Business Day period, any amount payable shall accrue interest from and including the date of agreement of the Indemnifying Party or final, non-appealable adjudication to but excluding the date such payment has been made at a rate per annum equal to 20%. Such interest shall be calculated daily on the basis of a 365 day year and the actual number of days elapsed.

7.6 Tax Treatment of Indemnification Payments

All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for tax purposes, unless otherwise required by law.

7.7 Effect of Investigation

The representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its Representatives) or by reason of the fact that the Indemnified Party or any of its Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnified Party's waiver of any condition set forth in Section 6.2 or Section 6.3, as the case may be.

7.8 Exclusive Remedies

Subject to Section 9.11 the parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud, criminal activity or wilful misconduct on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be under the indemnification provisions set forth in this Article 7. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any law, except under the indemnification provisions set forth in this Article 7. Nothing in this Section 7.8 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any party's fraudulent, criminal or wilful misconduct.

ARTICLE 8 TERMINATION

8.1 Termination

This Agreement may be terminated at any time before the Closing:

- (a) By the mutual written consent of the Seller and the Purchaser.
- (b) By the Purchaser by written notice to the Seller if the Purchaser is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Seller under this Agreement that would give rise to the failure of any of the conditions specified in Article 6, and such breach, inaccuracy or failure has not been cured by the Seller within 10 days of the Seller's receipt of written notice of such breach from the Purchaser.
- (c) By the Seller by written notice to the Purchaser if the Seller is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Purchaser under this Agreement that would give rise to the failure of any of the conditions specified in Article 6, and such breach, inaccuracy or failure has not been cured by the Purchaser within 10 days of the Purchaser's receipt of written notice of such breach from the Seller.
- (d) By the Purchaser or the Seller if:
 - (i) there shall be any law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited; or
 - (ii) any Governmental Authority shall have issued a Governmental Order restraining or enjoining the transactions contemplated by this Agreement, and such Governmental Order shall have become final and non-appealable.

8.2 Effect of Termination

In the event of the termination of this Agreement in accordance with this Article 8, this Agreement shall forthwith have no further force or effect and there shall be no liability on the part of any party hereto except:

- (a) as set forth in Section 5.5, this Article 8 and Article 9; and
- (b) that nothing herein shall relieve any party hereto from liability for any wilful breach of any provision hereof.

ARTICLE 9 GENERAL

9.1 The parties hereto acknowledge and agree that Polaris is a party and signatory to this Agreement solely for the purposes of making payment of the Purchase Price on behalf of the Purchaser, and is not a purchaser of the Purchased Shares hereunder.

9.2 This Agreement constitutes the entire agreement between the parties hereto. There are not and shall not be any verbal statements, representations, warranties, undertakings or agreements

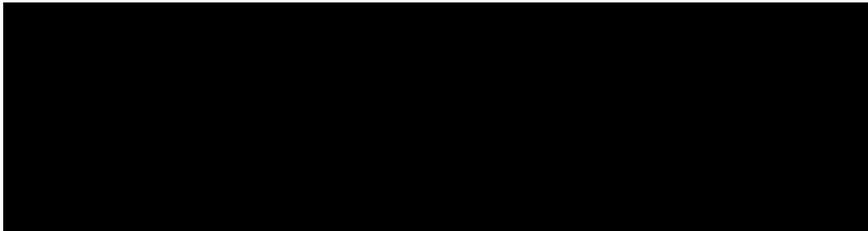
between the parties and this Agreement may not be amended or modified in any respect except by written instrument signed by the parties hereto.

9.3 This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of New York. Each of the parties hereto hereby irrevocably attorns to the jurisdiction of the courts of the State of New York.

9.4 Each of the parties hereto upon the request of any other party, whether before or after the Closing, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably necessary or desirable to effect complete consummation of the sale transactions contemplated by this Agreement.

9.5 All notices, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered in person or sent by mail, certified or registered, with return receipt requested, sent by overnight courier service, transmitted by facsimile or by other electronic or portable document format, or otherwise actually delivered, as follows:

(a) If to the Seller, to:



(b) If to the Purchaser, to:



The persons or addresses to which mailings, deliveries or transmissions shall be made may change from time to time by notice given pursuant to the provisions of this Section. Any notice, demand or other communication given pursuant to this provisions of this Section shall be deemed to have been given on the date actually delivered or five days following the date deposited in the mail, properly addressed, postage prepaid, as the case may be, or by facsimile or other electronic or portable document format or by overnight courier delivery service.

9.6 Unless otherwise required by applicable law or stock exchange requirements (based upon the reasonable advice of counsel), no party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed), and the parties shall cooperate as to the timing and contents of any such announcement.

9.7 Except as otherwise expressly provided herein, all costs and expenses, including fees, disbursements and charges of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

9.8 If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

9.9 Except as provided in Article 7, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

9.10 This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

9.11 The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

9.12 Except as otherwise set out in this Agreement, each of the parties hereto shall pay all of its own costs and expenses of the transaction of purchase and sale including all fees and expenses of its accountants and legal counsel.

9.13 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

9.14 This Agreement may be executed by the parties in separate counterparts and by facsimile or other electronic means of signature and all such counterparts when taken together shall constitute one and same original instrument.

[Signature page follows.]

DATED as of the date first written above.

**UNION GROUP INTERNATIONAL HOLDINGS
LIMITED**

By: "Signature"
Name: [Name Redacted]
Title: [Title Redacted]

ANDEAN POWER GENERATION LIMITED

By: "Signature"
Name: [Name Redacted]
Title: [Title Redacted]

POLARIS INFRASTRUCTURE INC.

By: "Shane Downey"
Name: Shane Downey
Title: Chief Financial Officer

EXHIBIT "A"

STEP PLAN MEMORANDUM

[Exhibit Redacted]