



PRESS RELEASE

“TIU Canada Court Case Against Nikopol Ferroalloy Plant Moves Forward”

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For Immediate Release:

(Kyiv, Ukraine) – TIU Canada, a leading solar energy producer in Ukraine, returned to the Kyiv Commercial Court today in their lawsuit against the Nikopol Ferroalloy Plant (NFZ) for illegally disconnecting its 10.5 MW solar station from the electricity grid in earlier this year. Despite Ukrainian energy laws that prevent electricity producers from being disconnected from the energy grid without their permission, the NFZ illegally cut TIU Canada’s connection on March 1, 2020. TIU Canada is seeking an immediate reconnection to the electricity grid and plans to hold the NFZ and its shareholders fully accountable under the laws of Ukraine. The main shareholders of the Nikopol Ferroalloy Plant are Igor Kolomoyskyi, Gennadiy Bogolyubov, and Viktor Pinchuk. Today’s hearing marked the final stage of the preliminary hearing and now the case moves to full consideration on January 13, 2021.

The Nikopol solar station owned by TIU Canada is on land leased long term from the city of Nikopol, however, entry to the facility is through a gate controlled by the NFZ. The solar plant connects to a substation on the grounds of the NFZ and later connects directly to the regional electricity transporter DTEK Dnipro Grids JSC. On December 23, 2019, TIU Canada received a letter from the General Director of the NFZ, that they would be disconnecting the TIU Canada connection to DTEK Dnipro Grids JSC via the substation on the grounds of the NFZ in order to make ‘repairs.’ The NFZ stated that they would begin the repairs after February 29, 2020, and TIU Canada immediately contacted the NFZ to seek solutions to avoid any disconnection. However, despite multiple discussions, the NFZ management and shareholders proceeded with disconnecting TIU Canada from the substation on the morning of March 1, 2020. This illegal disconnection has caused more than 1.5 million Euros of damage to TIU Canada already and increases daily.

The case is viewed as a test of the Zelensky’s administration’s commitment to protecting foreign investors. [It should be noted that on July 3, while speaking to the Economic Club of Canada, Ukrainian President Volodymyr Zelensky praised the work of TIU Canada at the Toronto Ukraine Reforms Conference.](#) He said, *“We think about the future, that is why green energy will be one of the key sectors of our economy during the upcoming years. I know that we have here Canadian company TIU that already successfully works in this area. We are grateful to them for this - please, follow their example”*.

TIU Canada is owned by the Calgary based Refraction 1 Fund and has been working in Ukraine since 2016. The company commissioned a 10 ½ megawatt solar energy plant in Nikopol, Ukraine, in January 2018, and an 11-megawatt solar station in the Mykolayiv region in April 2019. An additional 33 megawatts of solar electricity production have been commissioned in the Odesa region, for a total of 54 megawatts nationwide. TIU Canada has invested more than \$65 million in Ukrainian solar energy over the last four years and was the first investor in Ukraine under the Canadian Ukrainian Free Trade Agreement (CUFTA).

For general information about the company, please contact: Refraction Asset Management, Suite 1110 202 6th Avenue, Calgary Alberta T2P 2R9, or +1-587-352-5071. Web site www.refractionam.com.



TIU Canada directly and through its subcontractors employs more than 30 people in Ukraine whose jobs are now threatened by this illegal disconnection.

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