

December 14, 2021

Ontario Energy Board
Suite 2700, 2300 Yonge Street
Toronto, ON
M4P 1E4

Attention: Ms. Natasha Gocool

Application for Electricity Generation Licence by Kap Power Corp. regarding the Kapuskasing Power Plant: EB-2021-0298

Dear Ms. Gocool:

1. We are in receipt of your emails dated November 30, 2021 and December 6, 2021. URICA Energy Management Corporation provides responses to your information requests, on behalf of Kap Power Corp. ("Kap Power") below.

Question: Does Validus Power have a line of credit? If so, can you provide a letter from the applicant's bank, to indicate the amount of the line of credit. I'm reviewing the financial statements provided and since the applicant does not have 2 full fiscal years, I would like to obtain any additional financing information, to assess the applicant's financial viability.

2. Validus Power Corp. ("Validus Power") confirms that it has a line of credit established with the Libro Credit Union, located in London, Ontario. The amount of the line of credit is \$500,000.

3. Attached, as requested, is a letter from Libro Credit Union, dated Tuesday, December 14, 2021 that indicates the amount of the line of credit.

4. In your review of the Validus Power financial statements we draw your attention to the fact that the organization is largely equity financed, and to date, the organization has had little need for debt financing. As of June 30, 2021, as shown on the balance sheet, Validus Power had cash and bank balances of almost \$37 million. Validus Power submits that it is financially prudent to rely on equity financing at this point in time, and it will obtain a further line of credit if and when it is commercially required.

5. If the Board has any further questions regarding the application, or requires any further information in support of the Application, please contact the undersigned at darin.lowther@urica.ca or call at 403-554-0095.

Yours truly,

<Original signed by>

Darin Lowther
Lead, Regulatory

Attachment



libro.ca

4th Floor
217 York Street
London ON N6A 5P9

T 519-672-0130
F 519-672-7831
1-800-361-8222

Tuesday, December 14, 2021

RE: Validus Power Corp.
2B 1500 Sandhill Dr.
Ancaster, ON Canada L9G 4V5

To Whom it May Concern,

Libro Credit Union has approved Validus Power Corp. for a Line of Credit in the amount of \$500,000.

This line of credit is subject to security being registered as agreed and documents signed, however we do not foresee any issues.

If you have any questions, please feel free to reach out to me via phone or e-mail.

Yours Truly,

A handwritten signature in dark ink, appearing to read "Annette", is written over the printed name.

Annette Looper
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