Financial Statements
(Expressed in Canadian dollars)

PORTLAND GLOBAL ENERGY EFFICIENCY AND RENEWABLE ENERGY FUND LP

Year ended December 31, 2015
(Unaudited - see Notice to Reader)

PORTFOLIO MANAGEMENT TEAM	**Christopher Wain-Lowe,** BA, MBA Chief Investment Officer, Executive Vice President and Portfolio Manager

OVERVIEW

The investment objectives of Portland Global Energy Efficiency and Renewable Energy Fund LP (the "Partnership") are to provide income and above average long-term returns by investing primarily in the B units of Global Energy Efficiency and Renewable Energy Fund ("GEEREF"), advised by the European Investment Fund ("EIF") and sub-advised by the European Investment Bank ("EIB").

To achieve the investment objectives:
The Partnership intends primarily to invest in the B units of GEEREF, a private equity and infrastructure fund of funds, investing in Regional Funds (as defined in the offering memorandum of the Partnership), providing equity or quasi equity primarily for energy efficiency and renewable energy projects in developing countries and economies in transition. The B units feature a preferred return mechanism and faster return of capital over the A shares currently held by public sponsors: Germany, Norway, and the EIF (on behalf of the European Commission representing the European Union).

When the Partnership subscribes for the B units of GEEREF, it is required to commit to investing a fixed amount of capital to GEEREF over time. Pending the full investment of the Partnership's commitments, which may take several months or years, the Partnership may invest in a variety of other investments, including income producing private and public debt and equity securities, either directly or indirectly through other funds.

Portland Investment Counsel Inc. (the "Manager") may hedge part or all of the Partnership's non-Canadian dollar exposure back to the Canadian dollar from time to time.

GEEREF's investments aim to bring equal benefits for a triple bottom line:
- People: GEEREF seeks to provide access to sustainable energy and increase energy efficiency in developing countries and economies in transition;
- Planet: GEEREF seeks to fight climate change and contribute to a sustainable environment; and
- Profit: GEEREF seeks to achieve robust financial returns.

GEEREF invests exclusively in Regional Funds targeting projects in emerging markets that qualify as recipients for Official Development Assistance. There are currently 146 countries recognised as such by the Organisation for Economic Co-operation and Development and GEEREF's Regional Funds can target all of these other than candidates for accession to the European Union. Priority is given to investment in countries with appropriate policies and regulatory frameworks on energy efficiency and renewable energy.

GEEREF invests in specialist funds developing small to medium-sized projects in the following sectors:
- Renewable Energy – including small hydro, solar, wind, biomass and geothermal; and
- Energy Efficiency – including waste heat recovery, energy management in buildings, co-generation of heat and power, energy storage and smart grids.

GEEREF Regional Funds typically work with experienced local developers with a pipeline of projects seeking investment pre-construction. GEEREF engages with funds early in their development and seeks to enhance strategy, team capability and structure, being often the first cornerstone investor in a fund. Underpinning GEEREF's investment strategy is a fundamental commitment to financial, environmental and social sustainability, principles which are mutually reinforcing. GEEREF Regional Funds typically have: strong technical and private equity transaction skills; a regional focus, an established local presence and networks to generate deal-flow; and an overall size of between €50 million and €200 million.

PARTNERSHIP UPDATE AND FINANCIAL HIGHLIGHTS

The Partnership's one year return as of December 31, 2015 was 11.2% for Series A and 11.7% for Series F units. Its cumulative return since inception on October 31, 2013 was 21.1% for Series A and 21.7% for Series F units. The Partnership's net asset value (NAV) per unit as of December 31, 2015 was $60.57 for Series A and $60.87 for Series F Units.

By the end of 2014 the Partnership had made three commitments to invest a total of €8,000,000 in B Units of GEEREF and fulfilled its first subscriptions for 195.421 B units at a value of €10,000 each.

On February 13, 2015, the Partnership made a fourth commitment to invest another €2,000,000 in B Units of GEEREF. The conditions were fulfilled and so the commitment became effective April 23, 2015. On May 17, 2015, the Partnership made a fifth and its last commitment to invest another €4,250,000 in B Units of GEEREF. The conditions were fulfilled and so the commitment became effective May 29, 2015. The Partnership's final commitment to GEEREF is €14,250,000 and currently has in total fulfilled its first subscriptions for 348.093 B Units at a value of €10,000 each. The resultant Euro investment of €3,480,000 has been hedged back to the Canadian dollar.

As of September 30, 2015 GEEREF had committed to invest approximately €80.5 million in seven Regional Funds as well as make conditional agreements of US $13 million to the Caucasus Clean Energy Fund based in the Republic of Georgia and US$ 19.6 million to the Africa Renewable Energy Fund focused on Sub-Saharan Africa, excluding South Africa. The Africa Renewable Energy Fund is being managed by Berkeley Energy which also manages the now fully invested Renewable Energy Asia Fund. In December 2014, GEEREF had made a conditional commitment of €9 million to the Visum Small Hydro power Fund – a fund focusing exclusively on small hydro projects (SHPs) in Ukraine. The SHPs which will be developed are close to the border with Romania and some 2,000 km away from the zone of conflict. We share GEEREF's view that the economic and political value of domestically produced power has been increasing in Ukraine as a result of the conflict with Russia. However, Visum's management team is keen to broaden the fund's appeal and add solar and bio-gas projects to its investment strategy causing GEEREF to review the changed request which hopefully will be successfully concluded in 2016. Details of the nine Regional Funds into which GEEREF has invested and conditionally committed are provided below. The portfolios of each of the nine Regional Funds comprise a total of 50 investments. Two of these Regional Funds have finalized their investment periods and begun the process of divesting; their respective management teams (Berkeley Partners LLP and Inspired) are currently fund raising for follow-on-funds into which GEEREF is expecting to participate. Christopher Wain-Lowe has visited and met partners of all the existing and prospective Regional Funds and expects that in 2016 GEEREF will have invested in up to 15 Regional Funds and could be fully committed by mid 2017.

GEEREF closed its offer of B Units on May 29, 2015 having originally intended to close by November 5, 2013. A consequence of this delay has been: (i) the extension to accept more subscriptions into this Partnership until no later than November 30, 2017 and; (ii) the deferral to pay quarterly distributions until the quarter ended December 2017.

Pending further subscription payments for the B units of GEEREF, the Partnership currently holds about one fifth of its investments in a portfolio of liquid assets comprising:

i. predominantly cash and short term notes held with The Toronto Dominion Bank and Royal Bank of Canada, respectively; and
ii. a modest holding of Partners Value Split Corp. preferred shares with a quarterly fixed dividend yielding approximately 4.85% and final maturity of December 10, 2017. These preferred shares are rated within the second highest rating of categories utilized by DBRS Limited (the rating agency formerly called Dun & Bradstreet Rating Services) recognizing the protection of dividends and principal is substantial, via holding a portfolio of Class A Limited Voting Shares of Brookfield Asset Management Inc.

RECENT DEVELOPMENTS

The Paris climate change agreement signed on December 12, 2015 by the representatives of 196 countries was hailed as a historic diplomatic success. The challenge posed by anthropogenic global warming will hinge on how solemnly its many signatories are willing to accept the challenge. While the deal sets a new target to limit global warming to well below 2 degrees above pre-industrial levels the current plans as submitted by 188 counties would, according to the Financial Times, lead to temperatures rising by about 2.7% and so fail to meet the target set. Nonetheless, the hope now is that, finally, a framework for confronting the challenge is in place. International co-operation to transition towards a decarbonised global economy is particularly helpful for both environmentally vulnerable and developing countries many of which are within the scope of GEEREF. Inevitably the Paris accord remains a work in progress but it is encouraging to recognize that while GEEREF is in the vanguard of this change its goals are now more recognizably part of an altogether greater ambition.

This Partnership has extended its availability and will remain open to accept new subscriptions until November 30, 2017. However, the extended availability of the Partnership is only available for purchase by accredited investors (including managed accounts) and non-individuals who invest more than $150,000. Accredited investors is referenced within the meaning of applicable laws and is explained in the offering memorandum and in the subscription agreement of the Partnership.

The Partnership is not considered a reporting issuer under applicable securities laws and continuous reporting requirements under those laws do not apply to the Partnership. The Manager prepares financial statements once a year, December 31, to align it with the year end for tax purposes.

MARKET OVERVIEW

The economics of renewable energy generation are evolving differently in developed countries and developing ones. While the subsidies in the United States of America, European Union and other developed countries are being reassessed due to their high cost, the overall market in the renewable energy and energy efficiency sectors in developing countries is in fact benefitting from an increasingly cheaper supply of renewable energy technologies and strong competition between technology providers.

Traditionally, renewable energy has been largely driven by sustainability targets and concerted regional efforts to diversify existing energy portfolios. Photovoltaic (PV) global installations has continued to rise since 2006, largely driven by the continued drop in capital costs – the price of PV modules has fallen by over 30% year on year since 2008. This reduction in capital investment has allowed solar power to be viewed as a viable energy alternative to traditional power generation from coal, natural gas, and/or nuclear. Countries in the Middle East have included solar as part of their investment into a wider energy portfolio, a possible option in their "post-oil" future. For most countries (with the exception of some in Western Europe and South America), renewable energy continues to be viewed as an energy alternative within a wider portfolio where coal and natural gas play leading roles. The drop in crude oil prices has caused many nations to reconsider the allocation of their current subsidies (both towards renewables and towards fossil fuels), which has presented an opportunity for renewable energy to transition from an energy alternative and into an energy staple. With crude oil prices cut by more than half, at least 27 countries have elected to decrease or end subsidies that currently regulate fuel costs for electricity generation (including coal and natural gas). Fossil fuel subsidies have previously been criticized for distorting the energy markets in favor of sources that, without their support, would not be economically viable.

The recent price drop in crude oil has highlighted the attractiveness of renewable energy's relative isolation from fuel-price fluctuations. While wind and solar energy plants require intensive upfront capital, their forecasted project Return on Investment is not dependent on the accuracy of raw material forecasts (as necessary with petrochemical projects), since resources like wind and sun have an input cost of "zero". The experienced volatility in prices has demonstrated that investing in crude oil is an increasingly risky strategy. By comparison, the payback of solar projects is determined based on the levelized cost of energy (LCOE), which calculates the cost of building and operating the plant over an assumed lifespan. As larger commercial investors become more comfortable with the risks associated with long-term ownership of solar assets (e.g. the uncertainty of weather), they will be increasingly willing to underwrite debt positions where the cost of capital is lower than experienced with traditional power project financing.

The financing of renewable energy projects through LCOE analysis places a heavy emphasis on the upfront capital costs, which are much easier to estimate and, more importantly, are decreasing with advancements in technology. As renewable energy is a technology dependent sector (and at this stage of the experience curve), costs will continue to decrease with the refinement and improvement of manufacturing methods, installation techniques, and development of know-how. Fossil fuels, on the other hand, are an extraction-dependent sector, where costs increase as resources become harder to find. Arguably, fossil fuels stand to benefit from technology gains and cost deflation as well, but technology development for drilling and extraction is often slow and limited.

We believe renewable energy should be viewed as a technology and therefore subject to cost deflation (e.g. Moore's law wherein processing power for computers is expected to double every two years). In contrast, in the traditional energy sector, fossil fuels need to be extracted and in extractive industries costs (almost) always go up. After the recent technological progress made across the renewable energy sector, particularly solar, renewable and fossil fuel costs per unit of energy are now roughly comparable in many countries – but are heading in opposite directions. We believe dropping module prices in solar energy and progressing research towards energy capture and storage, means renewable energy could leverage the opportunity spurred on by the current state of crude oil to depress or possibly reverse further penetration of conventional power sources.

Multinational development banks, government backed financial institutions and strategic investors continue to provide financing for the development of energy generation assets in politically stable and fast-growing developing countries. GEEREF continues to attract a solid number of investment proposals from those targeted regions. GEEREF's pipeline shows in terms of geography, a balanced pipeline of projects located in Asia, Africa, and Latin America. In particular the number and quality of African proposals has picked up. This reflects the state of economic development, policy stimulation and market growth of this region, as well as a growing pool of professionals experienced in both fund management and in renewable energy and energy efficiency sectors. A majority of pipeline projects have been sourced through GEEREF's personal contacts and sector networks which comprise three follow-on funds and three other renewable energy funds concentrating across: Middle East, Africa, Nepal, Ukraine, South East Asia and India. Based on the current deal-flow, the GEEREF team is confident that the GEEREF Fund can be fully deployed well within the GEEREF investment period (May 2019).

REGIONAL FUNDS – into which GEEREF has conditionally committed or invested

AREF
AFRICA RENEWABLE ENERGY FUND

AFRICA RENEWABLE ENERGY FUND

GEEREF Has Conditionally Committed US$ 19.6 Million To The Africa Renewable Energy Fund, Managed By Berkeley Energy Africa Limited

Africa Renewable Energy Fund (AERF) is a dedicated renewable energy fund focused on Sub-Saharan Africa to support small-to-medium scale independent power producers. The fund, which will be headquartered in Nairobi, is targeting to be invested in grid-connected development stage renewable energy projects including small hydro, wind, geothermal, solar, biomass and waste gas. Initially promoted in a joint initiative by the African Biofuel and Renewable Energy Company and the African Development Bank , AREF will be managed by Berkeley Energy Africa. The fund will target independent power producers with an ideal size of between 5 and 50 mega watts and a commitment per project of between US $10 million and US $30 million, with the capacity to source further funding from co-investors where necessary for a larger investment.

You can read more about Africa Renewable Energy Fund by visiting its website: www.berkeley-energy.com

ARMSTRONG SOUTH EAST ASIA CLEAN ENERGY FUND

GEEREF Has Committed €10.0 Million To The Armstrong S.E. Asia Clean Energy Fund, Managed By Armstrong Asset Management

Armstrong is a private equity fund that invests in small-scale renewable energy and resource efficiency projects in Southeast Asia, focusing particularly on Thailand, Philippines, Indonesia and Vietnam. This strategy is driven by the high energy demand and strong market fundamentals in the region.

The investment strategy is based on a market demand supported by strong economic fundamentals; a commitment to positive social and environmental impact; risk minimization through a portfolio of small-scale projects; no technology risk; the ability to generate early cash flows; positive entry valuations due to lack of investor competition; competitive advantage as a result of the team's local operating experience; and a clear exit strategy.

You can read more about Armstrong South East Asia Clean Energy Fund by visiting its website: www.armstrongam.com

CAUCASUS CLEAN ENERGY FUND

GEEREF has Conditionally Committed US$ 13 Million to the Caucasus Clean Energy Fund, Managed by Schulze Global Investments

Caucasus Clean Energy Fund is a private equity fund that invests in small and medium scale hydropower plants in the Republic of Georgia. It will target projects in the range of 10-20 megawatts, focusing on introducing international best practices in respect of the construction and operation of hydropower plants, as well as their environmental and social management. The fund may participate actively in the development of projects from a very early stage, although it may also be open to investments in more mature projects, and will have a preference for majority ownership.

The investment strategy is underpinned by strong market fundamentals in the Caucasus region such as Georgia's large hydropower potential, an enabling regulatory and policy framework, the region's electricity demand growth and seasonality patterns, as well as the region's transmission infrastructure prospects amongst others.

You can read more about Caucasus Clean Energy Fund by visiting its website: www.schulzeglobal.com

DI FRONTIER MARKET ENERGY & CARBON FUND

GEEREF Has Committed €10.0 Million To The Di Frontier Market Energy & Carbon Fund, Managed By Frontier Investment Management

DI is a private equity fund providing equity financing to small-scale renewable energy (wind, solar and solar heating, hydro, biomass, waste to energy, geothermal), fuel switch and energy efficiency projects in Sub-Saharan Africa with a focus on Eastern and Southern Africa, particularly Kenya, Rwanda, South Africa, Tanzania and Uganda.

DI may participate actively in the development of projects from a very early stage but it is also open to investments in mature projects. Projects may be standalone such as wind farms or captive such as bagasse based power generation at sugar factories.

You can read more about DI Frontier by visiting its website: www.frontier.dk

EMERGING ENERGY LATIN AMERICA FUND II

GEEREF Has Committed €12.5 Million To The Emerging Energy Latin America Fund II, Managed By Emerging Energy And Environment

EELAF II is a private equity fund providing equity financing to renewable energy infrastructure in Latin America, principally in the high growth economies of Brazil, Mexico, Peru, Chile, and Colombia. The fund will mainly invest in companies within the energy related sectors of hydroelectricity, wind power generation, and solar energy.

EELAF II will also invest in regional mid-market companies that provide support and energy services to the renewable and energy efficient sectors using market proven technologies.

You can read more about Emerging Energy Latin America Fund II by visiting its website: www.emergingenergy.com

EVOLUTION ONE FUND

GEEREF Has Committed €10.0 Million To The Evolution One Fund, Managed By Inspired Evolution

Evolution One is a private equity fund providing equity financing to projects on the clean energy and clean technologies sectors in the Southern African Development Community.

It focuses on the following eight sectors and sub-sectors: cleaner energy generation and energy efficiency; cleaner production technologies and processes; air quality and emissions control; water quality and management; waste management; agribusiness and forestry; natural products, organics and natural health; sustainable buildings and environmental real estate.

Evolution One makes early stage, expansion and development stage, and later stage or mature equity and equity-related investments primarily for control or significant minority positions in market-leading growth businesses.

You can read more about Evolution One by visiting its website: www.inspiredevolution.co.za

MGM SUSTAINABLE ENERGY FUND

GEEREF Has Committed €10.0 Million To The MGM Sustainable Energy Fund, Managed By MGM Innova Capital Llc

MSEF is a private equity fund providing equity and mezzanine financing to projects in the demand-side energy efficiency and renewable energy sectors in Colombia, Mexico, Central America and the Caribbean region.

The fund will seek to invest 70% of committed capital in energy efficiency (residential sector: consumer financing for green appliances; commercial sector: hotels, hospitals, other large buildings; municipal sector: street lighting); and 30% in renewable energy (proven technologies including hydro expansion/rehabilitation, solar and wind).

You can read more about MGM Sustainable Energy Fund by visiting its website: www.mgminnovacap.com

RENEWABLE ENERGY ASIA FUND

Geeref Has Committed €12.5 Million To The Renewable Energy Asia Fund, Managed By Berkeley Partners LLP

REAF is a private equity fund providing equity financing to small hydro, wind, geothermal, solar, landfill gas and biomass projects in South and South East Asia.

REAF targets markets and assets where value is supported by maturing and expanding local renewable energy legislation, deregulation of the electricity sector, and demographic and commercial drivers under-pinning future demand growth for power. To date, REAF's investment activity has focused on the substantial opportunity available in the Indian and Philippines markets, with interest to consider opportunities across the region in countries such as Bangladesh, Sri Lanka, Indonesia, Thailand, Vietnam and Malaysia.

REAF seeks investment opportunities into post-permitted assets and project developers.

You can read more about Renewable Energy Asia Fund by visiting its website: www.berkeley-energy.com

SOLARARISE INDIA PROJECTS PRIVATE LIMITED

GEEREF Has Committed €€12.0 Million To SolarArise India Projects Private Limited, an investment vehicle focusing on solar photovoltaic investments in different states of India.

SolarArise is an India focused solar asset vehicle that invests in grid-connected solar PV projects in India, to provide steady annuity-like cash returns to investors. This strategy provides attractive returns at low risk and is geared to provide capital for sustainable clean renewable power.

The investment strategy is based on the rising market demand for power in India; the commitment to provide clean renewable energy with a positive environmental impact; the use of proven and established technology to minimise performance risk; minimal execution and operation risk through a diversified portfolio; a quick investment cycle to generate revenue; and a strong and experienced management team capable of building and managing a large solar portfolio.

You can read more about SolarArise by visiting its website: www.solararise.com

EXAMPLES OF CURRENT PROJECTS

RED CAP INVESTMENT – ON-SHORE WIND

THE PROJECT IS ONE OF EVOLUTION ONE FUND INVESTMENTS

Description	Location	Size
Renewable Energy Type: Onshore Wind	The project site is located approximately 70km to the south west of Port Elizabeth, in the Kouga Municipality in the Eastern Cape of South Africa.	Kouga Wind Farm ('KWF', the project company) is a 80MW wind farm generation capacity project.

The Investment

The development process for this onshore wind farm began in 2009 with Evolution One providing support in 2010 to help get the investigatory work completed. A fully-permitted wind farm together with the required funding was finalized in November 2012 with the preliminary wind turbine layout and design already underway from mid 2011. The project comprises 32, 80 meter high, wind turbines which generate about 300 million kilowatt hours of energy per year. The total cost of the project was about ZAR 2 billion (ZAR is South African Rand) of which the equity component was about 20% with Evolution One providing about one quarter, ZAR 98 million, of that equity. The estimated payback of the equity component is 5 years with the debt (provided by Standard Bank and Nedbank – two of South Africa's largest banks) being repaid over 15 years aligned with the long term power purchase agreement (PPA). The PPA initial price is ZAR 1.15 per kilowatt hour and is fully indexed to the South African Consumer Price Index, annually.

Impact

KWF, as a key part of its commitment to the socio-economic development of the local communities living in close proximity to the proposed wind farm, is establishing the Kouga Wind Farm Community Development Trust ("Trust"). With the backing of the Industrial Development Corporation, the Trust acquired a 26% shareholding in KWF, which will allow profit distributions made by KWF to accrue to the Trust and become available for investment in socio-economic and enterprise development projects for the benefit of local previously disadvantaged communities. The community is defined as black communities residing within the immediate proximity of the wind farm site within specific co-ordinates given in the Trust deed. The project is estimated to power the equivalent of about 50,000 homes and reduce green house gas emissions by 270,000 tonnes.

Evolution One directly, and also via its investment in RedCap, led the development with a consolidated 30% interest in the Kouga Wind Farm project. We believe it really shows both GEEREF and the Partnership's triple PPP strategy at work: People, Planet and Profit. A short (4 ½ minutes) video showcases the project from all three facets: https://youtu.be/GaCUGEjUq3c

RUSTMO 1 SOLAR PARK INVESTMENT

THE PROJECT IS ONE OF EVOLUTION ONE FUND INVESTMENTS

Description	Location	Size
Renewable Energy Type: Solar PV (photo-voltaic)	RustMo1 Solar Farm is a solar photovoltaic power generation facility located at Buffelspoort, which is 22 kilometres outside the city of Rustenburg in the North West Province of South Africa. This is the first renewable energy project in the North West Province.	A 7 Mega Watt Solar Park.

The Investment


Cyrille Arnould Head of GEEREF with a member of the Rustmo team

The development process for the solar park began in 2010 with Evolution One providing support in 2012 to help get the investigatory work completed. A fully-permitted solar farm together with the required funding was finalized in November 2012 with the preliminary photovoltaic layout and electrical design already underway from mid 2011. The project includes the installation of 11 inverters and 29,808 photovoltaic solar modules, with a step up transformer to connect to the 88kV substation. The engineering contractor for the project is the Juwi Holding AG, a leading German developer for renewable energy projects. The farm is expected to produce 244,643 MWh of energy over the 20 year contract period via a power purchase agreement to supply power to the South African public utility Eskom grid and national grid infrastructure.

The Industrial Development Corporation (IDC) has funded this project in terms of Broad Based Black Economic Empowerment (BBBEE) equity funding. Equity has been provided in the form of preferential share funding for the BEE participation and local community share participation in the project. The equity component was about 30% with Evolution One providing, ZAR 40 million, of that equity. The estimated payback of the equity component is 6 years with the debt (provided by IDC and Nedbank – one of South Africa's largest banks) being repaid over 15 years aligned with the 20 year long term PPA. The PPA initial price is ZAR 2.85 per kilowatt hour and is fully indexed to the South African Consumer Price Index, annually.

Impact

Momentous Energy, a South African black-owned development company, was awarded the RustMo1 Solar Farm project by the South African Department of Energy, in December 2011.

The shareholders of the project include the Momentous Foundation Community Trust, Momentous Solar Farm, Momentous Technologies and Evolution One Fund. The plant creates much needed employment in the Rustenburg area and will also contribute to social development in the community. Up to 80% of the employees of the project will be recruited from local areas. The Momentous Foundation Community Trust has been set up to own a 17% share of RustMo1 Solar Farm. The beneficiaries of the Trust are the local communities of Lapologang and Tsakane. The disbursements from the income to Momentous Foundation will be utilised strictly to bolster the economic development of the local areas. Additionally, more than 1% of annual revenue will be spent on local socio-economic development. A partnership with the local College has also been forged, where RustMo1 Solar Farm will sponsor students at the college in Rustenburg.

SLIMSUN SOLAR PARK INVESTMENT – SOLAR PV (PHOTO-VOLTAIC)

THE PROJECT IS ONE OF EVOLUTION ONE FUND INVESTMENTS

Description	Location	Size
Renewable Energy Type: Solar PV (photo-voltaic)	The project site is located approximately 25km to the north-west of Malmesbury in the Swartland Region of the Western Cape of South Africa.	SlimSun (Pty) Ltd (the project company) is proposing to develop 22 mega watts (MW) of already permitted solar PV assets, initially 5MW

The Investment

Franco Afrique Technologies and Evolution One are jointly developing the project which can effectively be split into the development phase (SSP development company) and the commercial operating asset phase (SlimSun project company). Inspired Evolution, the manager of the Evolution One Fund, initially invested ZAR 1.07 million to help develop the project and allocated an additional ZAR 3.85 million in order to bring the project to its financial close (this includes project costs, success fees and bid bonds). The total project cost (SlimSun) is ZAR 187.7 million of which Inspired Evolution will contribute ZAR 15.017 million. Juwi Holding AG (a leading German solar PV developer) is providing the engineering, procurement and construction for the project.

Impact

20% shareholding in the project company has been ring-fenced for a BBBEE Community Trust called the Darling Trust. The overall objective of establishing the Community Trust is to promote the participation of local communities to acquire an equity stake in the proposed PV Project. It is envisaged that the equity stake will be for the benefit of identified local communities residing within the defined area. The stake will benefit poor local communities that lack adequate infrastructure and are faced with myriad socio-economic challenges. The Community Trust will be the vehicle used to invest the returns to address identified and prioritised socio-economic needs with a view to improve the socio-economic livelihoods of the communities surrounding Swartland Solar Park.

SITI I AND II – MINI HYDRO

THE PROJECT IS ONE OF DI FRONTIER MARKET ENERGY & CARBON FUND INVESTMENTS

Description	Location	Size
Renewable Energy Type: Hydro	The project site is located on the northern slopes of Mt. Elgon in eastern Uganda (see project location map).	Elgon Hydro Siti (PVT) Ltd. (the project company) is permitted to develop a 5 mega watts (MW) and 16.5 MW hydropower plant.

The Investment

Elgon Hydro Siti (PVT) Ltd. ('Elgon') is a special purpose vehicle established with the sole purpose of developing and implementing the Siti I and II Hydro Power Project. The company has an exclusive permit to develop the Siti I and II Power Project granted by the Electricity Regulatory Authority of Uganda. The project will be constructed by Sri Lankan energy, procurement and construction contractor VS Hydro, which was the company driving the development of the project prior to DI Frontier's involvement. VS Hydro traces its origins to 1972 when Premasiri Sumanasekera, a graduate in Physical Science from the University of Colombo, founded the company. VS Hydro will continue to be about a 40% shareholder in the project with DI Frontier Market Energy & Carbon Fund owning about 60%. DI Frontier investment for Siti 1 is about €0.5 million for development and €2.5 million for construction. Power generated will be sold at US $0.10 per Kilowatt hour to Uganda Electricity Transmission Company Limited on a 20 year standard power purchase agreement applicable for projects under 20MW. A 25 km 33 kilovolts transmission line to the nearest grid connection point and line upgrade at Kapchowra will be financed by the Rural Energy Authority. Construction commenced during the first quarter of 2015.

Impact

Elgon secured environmental, water abstraction and construction permit for the project. An assessment of the likely upgrade to the environment and local society was completed in early 2014. The annual carbon emission reduction expected is 40-60,0000 tonnes of Carbon Dioxide. The Siti I project is a 5 MW hydropower plant and Siti II a 16.5 MW hydropower plant utilizing the hydropower potential of the river Siti as it drops 300 metres in a series of rapids, in and around the village of Chesoweri on the northern slopes of Mt. Elgon in eastern Uganda. A catchment area of 74 square kilometers, and constantly high rainfall of 1500 millimeters, ensures that the river has a mean annual discharge of 2.11 cubic meters per second.

Also, the pictures below show the previous accommodation and new 'PAP' Housing at Siti. A PAP is a "project affected person". The Cheprukut original dwelling was affected by the Siti Hydro project and so was replaced and upgraded.

SYMBIOR SOLAR INVESTMENT

THE PROJECT IS ONE OF ARMSTRONG SOUTH EAST ASIA CLEAN ENERGY FUND INVESTMENTS

Description	Location	Size
Renewable Energy Type: Solar PV (photo-voltaic)	The project site is a portfolio of solar power plants located in central Thailand spanning five sites in the Prachinburi and Samut Sakhon Provinces, with each individual plant's capacity ranging between 3 mega watts (MW) and 8 MW.	29 MW portfolio of solar power plants (detailed below)

Project	Capacity	Location
1	8MW	Srimahapho, Prachinburi
2	8MW	Srimahapho, Prachinburi
3	3MW	Srimahapho, Prachinburi
4	6MW	Na Khok, Samut Sakhon
5	4MW	Na Khok, Samut Sakhon

The Investment

Established in 2010, Symbior Solar ("Symbior"), a leading developer of solar PV power plants in Asia, announced on November 23, 2015 the closing of a project financing totaling Thai Baht ("THB") 1.45 billion (US$ 40.5 million) with Krung Thai Bank Public Co. Ltd. ("KTB"), Thailand's largest lender by assets. Arranged through Symbior's subsidiary ATC Enviro Co. Ltd. the debt instrument completes the full financing of Symbior's 29 MW portfolio of solar power plants in central Thailand.

Construction began in June 2015 and commercial operation was planned for December 2015. The Provincial Electricity Authority will buy power from the plants under 25-year power purchase agreements at a tariff of THB 5.66 per kWh (approximately US$ 0.16/kWh) as part of the Very Small Power Producer Program.

"The closing of this latest project financing with KTB is proof of the strong relationship with the bank who has already funded Symbior's first project in Thailand in 2013. Despite the challenges of an extremely short implementation timeline of only six months, the Symbior team was able to drive the implementation forward and rely on KTB's support to finance its solar PV pipeline in Thailand", stated Florian Bennhold, CEO of Symbior Solar. "Together with our experienced EPC partners and our local team, construction progress of our projects remain on budget and on target to achieve commercial operation by the end of the year", added Mr. Bennhold.

Proceeds of the financing will be used to pay for the projects' continuing construction and development costs. Together with investments and commitments from the Armstrong S.E. Asia Clean Energy Fund and Dragon Capital's Mekong Brahmaputra Clean Development Fund, Symbior's central Thailand projects are fully financed.

Impact

The solar PV power plants will collectively power approximately 18,000 households with clean solar-generated electricity in the first year of operations and offset 483,650 tons of CO2 equivalent over their lifetime. Symbior has grown into a leading regional solar PV developer with a focus on frontier PV markets in Asia. Symbior continues to expand its solar PV generating platform in Thailand, Indonesia, Bangladesh and Mongolia, supporting the region's drive towards environmentally and economically sound energy supplies for a sustainable future.

8+8MW Site:
Installation of Solar PV Modules

3MW Site:
Installation of Solar PV Modules

6+4MW Site:
Installation of Solar PV Modules

Sources:

http://geeref.com, European Investment Bank, GEEREF Investors Quarterly Report, 30 Sept 2015, GEEREF Information Memorandums, June 2013 and June 2014, GEEREF Impact Report 2014.

Notes

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NOTICE TO READER

On the basis of information provided by Portland Investment Counsel Inc., we have compiled the statement of financial position of Portland Global Energy Efficiency and Renewable Energy Fund LP as at December 31, 2015 and the statements of comprehensive income, changes in partners' equity and cash flows for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these financial statements may not be appropriate for their purposes.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

March 30, 2016
Toronto, Canada

PORTLAND GLOBAL ENERGY EFFICIENCY AND RENEWABLE ENERGY FUND LP

Statement of Financial Position
(Expressed in Canadian dollars)

December 31, 2015, with comparative information for December 31, 2014
(Unaudited - see Notice to Reader)

	2015	2014
Assets		
Cash and cash equivalents	$ 1,419,864	$ 1,279,146
Investments, at fair value through profit or loss (cost - $5,182,928)	5,384,367	2,744,093
Foreign currency forward contracts	–	28,124
Interest receivable	600	581
Other receivables	929,035	189,074
Subscriptions receivable	459,500	200,000
	$ 8,193,366	$ 4,441,018
Liabilities and Partners' Equity		
Liabilities:		
Payable for investments purchased	$ 56,763	$ 805,873
Redemptions payable	243,214	–
Accrued fees and expenses	7,979	3,850
Foreign currency forward contracts	148,001	–
	455,957	809,723
Partners' equity (note 2):		
General partner's capital	50	50
Class A	1,555,695	491,307
Class F	5,663,294	2,736,332
Class O	518,370	403,606
	7,737,409	3,631,295
	$ 8,193,366	$ 4,441,018

See accompanying notes to financial statements.

Approved on behalf of
Portland General Partner (Ontario), Inc.:

"Michael Lee-Chin" Director

PORTLAND GLOBAL ENERGY EFFICIENCY AND RENEWABLE ENERGY FUND LP

Statement of Comprehensive Income
(Expressed in Canadian dollars)

Year ended December 31, 2015, with comparative information for
the three months ended December 31, 2014
(Unaudited - see Notice to Reader)

	2015	2014
Revenue:		
Interest income for distribution purposes	$ 2,690	$ –
Investment income	774,136	84,688
Foreign currency gain (loss) on cash and other net assets	128,520	(5,524)
Realized gain (loss) on foreign currency forward contracts	(306,971)	23,376
Realized loss on investments	(42,320)	(102)
Change in unrealized appreciation (depreciation) on investments	346,656	(51,308)
Change in unrealized depreciation on foreign currency forward contracts	(176,126)	(786)
	726,585	50,344
Expenses:		
Management fees	37,586	4,917
Fund accounting and transfer agent fees	34,697	7,040
Fund expenses	24,898	2,776
Professional fees	3,814	1,695
Legal fees	7,214	5,620
Interest expense	–	73
Transaction costs	210	–
	108,419	22,121
	618,166	28,223
Management fee waived	–	(2,830)
Expenses absorbed by the manager	(38,657)	(15,368)
Net comprehensive income	$ 656,823	$ 46,421

See accompanying notes to financial statements.

PORTLAND GLOBAL ENERGY EFFICIENCY AND RENEWABLE ENERGY FUND LP

Statement of Changes in Partners' Equity
(Expressed in Canadian dollars)

Year ended December 31, 2015, with comparative information for
the three months ended December 31, 2014
(Unaudited - see Notice to Reader)

2015	General Partner	Class A	Class F	Class O
Balance, December 31, 2014	$ 50	$ 491,307	$ 2,736,332	$ 403,606
Net contributions (redemptions)	–	982,315	2,424,721	42,255
Net comprehensive income	–	82,073	502,241	72,509
Balance, December 31, 2015	$ 50	$ 1,555,695	$ 5,663,294	$ 518,370

2014	General Partner	Class A	Class F	Class O
Balance, September 30, 2014	$ 50	$ 591,425	$ 1,338,389	$ 396,120
Net contributions (redemptions)	–	(110,466)	1,369,356	–
Net comprehensive income	–	10,348	28,587	7,486
Balance, December 31, 2014	$ 50	$ 491,307	$ 2,736,332	$ 403,606

See accompanying notes to financial statements.

PORTLAND GLOBAL ENERGY EFFICIENCY AND RENEWABLE ENERGY FUND LP

Statement of Cash Flows
(Expressed in Canadian dollars)

Year ended December 31, 2015, with comparative information for
the three months ended December 31, 2014
(Unaudited - see Notice to Reader)

	2015	2014
Cash flows from (used in) operating activities:		
Net comprehensive income	$ 656,823	$ 46,421
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Realized loss on investments	42,320	102
Change in unrealized depreciation (appreciation) on investments and foreign currency forward contracts	(170,530)	52,094
Decrease (increase) in interest receivable	(19)	1,654
Increase in other receivables	(739,961)	(78,963)
Decrease (increase) in subscriptions receivable	(259,500)	78,511
Increase in redemptions payable	243,214	–
Increase in other payables	4,129	774,723
Sale of investments	122,649	128,115
Purchase of investments	(3,207,698)	(1,883,496)
	(3,308,573)	(880,839)
Cash flows from investing activities:		
Partner contributions	3,449,291	1,258,890
Increase in cash and cash equivalents	140,718	378,051
Cash and cash equivalents, beginning of period	1,279,146	901,095
Cash and cash equivalents, end of period	$ 1,419,864	$ 1,279,146

See accompanying notes to financial statements.

Portland Global Energy Efficiency and Renewable Energy Fund LP (the "Partnership") is a limited partnership established under the laws of the Province of Ontario on September 13, 2013. Pursuant to the partnership agreement, Portland General Partner (Ontario) Inc. (the "General Partner") is responsible for the management of the Partnership. The General Partner has engaged Portland Investment Counsel Inc. (the "Manager") to direct the day-to-day business, operations and affairs of the Partnership, including management of the Partnership's portfolio on a discretionary basis and distribution of the units of the Partnership. The head office of the Partnership is located at 1375 Kerns Road, Suite 100, Burlington, Ontario L7P 4V7.

The Partnership has the ability to issue an unlimited number of Class A, Class F and Class O units. Each class of units has different fees and expenses as outlined in its offering memorandum dated December 23, 2013, as amended ("Offering Memorandum").

The Partnership was formed for the purpose of investing primarily in B units of the Global Energy Efficiency and Renewable Energy Fund ("GEEREF"), advised by the European Investment Fund and sub-advised by the European Investment Bank. GEEREF is a private equity and infrastructure fund of funds, investing in equity or quasi equity for primarily energy efficiency and renewable energy projects in developing countries.

1. Significant accounting policies:

(a) Basis of presentation:

The financial statements of the Partnership have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These financial statements are solely for the information and use of the partners of the Partnership. The financial statements are not intended to be used by anyone other than the specified users or for any other purpose.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates and the difference could be material.

1. Significant accounting policies (continued):

(b) Functional and presentation currency:

Items included in the Partnership's financial statements are measured using the currency of the primary economic environment in which the Partnership operates (the "functional currency"). The financial statements are presented in Canadian dollars, which is the Partnership's functional and presentation currency.

Transactions in currencies other than the Canadian dollar are translated at the rate of exchange prevailing at the transaction date. Assets and liabilities denominated in currencies other than the Canadian dollar are translated at the applicable exchange rates prevailing at the reporting date. Resulting exchange differences are recognized in the statement of comprehensive income.

(c) Cash and cash equivalents:

Cash and cash equivalents are classified as loans and receivables and are recorded at amortized cost which approximates fair value.

(d) Financial instruments:

Financial instruments measured at fair value are classified in one of three fair value hierarchy levels, based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

1. Significant accounting policies (continued):

(e) Valuation of investments:

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices. The Partnership uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstance where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Investments in other investment funds are measured using the most recently published net asset value per unit, unless the Manager believes the net asset value per unit is not indicative of fair value. In such circumstances, the Manager will determine the carrying value based on its judgment under the circumstances to ensure the investments are included at fair value.

B units of GEEREF are initially measured at the amount paid plus transaction costs. Actualization interest is considered a transaction cost and is included in the cost to acquire B units. Subsequent to acquisition, B units are measured at the amount paid, plus an accrual for amounts owing on the B units in accordance with the GEEREF prospectus, referred to as waterfall distributions. Such amounts are included as other receivables on the statement of financial position. As GEEREF liquidates its investments and cash becomes available to distribute, waterfall distributions will be declared and paid in the following sequence:

(i) holders of B units have their commitments repaid;

(ii) holders of B units receive a distribution of 4% per annum;

(iii) shareholders have their commitments repaid;

(iv) holders of B units receive a distribution of 6% per annum;

1. Significant accounting policies (continued):

(v) 95% of the remaining distributions are allocated pro-rata based on the percentage of capital commitment made by each investor in A shares and B units (and within each class of shares and B units, on the basis of each respective class of share and B unit capital contribution); and

(vi) 5% of the remaining distributions are allocated as carried interest to C units which are held by the European Investment Fund as fund advisor to GEEREF.

Since the Partnership is contractually entitled to these amounts, the Partnership will include them as a receivable unless collectability is no longer assured. The net asset value of GEEREF is approximately €135 million as at September 30, 2015 and, therefore, the Manager is of the view that collectability is assured.

Open forward contracts are revalued to fair value in the statement of comprehensive income based on the difference between the contract rate and the applicable forward rate to close out the contract. Gains and losses associated with the valuation of open forward contracts are recorded in the statement of comprehensive income as change in unrealized appreciation of foreign currency forward contracts. The cumulative change in value upon settlement is included in the statement of comprehensive income as realized gain on foreign currency forward contracts.

(f) Classification:

The Partnership classifies its investments in equity securities and derivatives as financial assets and liabilities at fair value through profit or loss.

This category has two sub-categories: financial assets or financial liabilities held for trading; and those designated at fair value through profit or loss at inception.

1. Significant accounting policies (continued):

(i) Financial assets and financial liabilities held for trading:

A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term, or if on initial recognition is part of a portfolio of identifiable financial investments that are managed together, and for which there is evidence of a recent actual pattern of short-term profit taking. Derivatives are also categorized as held for trading. The Partnership does not classify any derivatives as hedges in a hedging relationship.

(ii) Financial assets and financial liabilities designated at fair value through profit or loss at inception:

Financial assets and financial liabilities designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Partnership's documented investment strategy.

The Partnership recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Regular purchases and sales of financial assets are recognized at their trade date. The Partnership's non-derivative investments have been designated at fair value through profit or loss. All other financial assets and financial liabilities are measured at amortized cost. Under this method, financial assets and financial liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. When determining the Partnership's net asset value for transactions with unit holders, the accounting policies are the same as those described above for financial reporting purposes, with the exception of the recognition and measurement of an investment in B units of GEEREF. In determining net asset value for unitholder transactions, an investment in B units of GEEREF will not be recognized until the later of (a) the date of payment for the B units; and (b) the value date within a subscription request to pay for the B units.

1. Significant accounting policies (continued):

(g) Cost of investments:

The cost of investments represents the amount paid for each security and is determined on an average cost basis, including commissions and other portfolio transaction costs.

(h) Investment transactions and income:

Investment transactions are accounted for on the trade date. Interest income is accrued daily and dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

The interest for distribution purposes shown on the statement of comprehensive income represents the coupon interest received by the Partnership accounted for on an accrual basis. The Partnership does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight-line basis.

Realized gain (loss) on sale of investments and unrealized appreciation (depreciation) of investments are determined on an average cost basis.

1. Significant accounting policies (continued):

(i) Future significant accounting policies:

IFRS 9, Financial Instruments ("IFRS 9"):

The final version of IFRS 9 was issued by the International Accounting Standards Board in July 2014 and will replace International Accounting Standard 39, Financial Instruments - Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking expected loss impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018; however, is available for early adoption. In addition, the own credit risk changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Partnership is in the process of assessing the impact of IFRS 9 and has not yet determined when it will adopt the new standard.

IFRS 15, Revenue ("IFRS 15"):

On May 28, 2014 the IASB issued IFRS 15. The new standard is effective for fiscal years beginning on or after January 1, 2018 and is available for early adoption. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The Partnership intends to adopt IFRS 15 in its financial statements for the annual period beginning on January 1, 2018. The extent of the impact of adoption of the standard has not yet been determined

(Expressed in Canadian dollars)

2. Partners' equity:

The Partnership is permitted to have an unlimited number of classes of units, having such terms and conditions as the Manager may determine. Additional classes may be offered in future on different terms, including different fee and dealer compensation terms and different minimum subscription levels. Each unit of a class represents an undivided ownership interest in the net assets of the Partnership attributable to that class of units.

The General Partner has designated three classes of units:

- Class A units - available to all investors who meet the minimum investment criteria;

- Class F units - generally available to investors who meet the minimum investment criteria and who purchase their units through a fee-based account with their registered dealer; and

- Class O units - may be issued to certain institutions or other investors.

The Partnership endeavors to invest its capital in appropriate investments in conjunction with its investment objectives as outlined in its Offering Memorandum.

In accordance with the limited partnership agreement, the General Partner contributed $50 to the Partnership. No units were issued to the General Partner in exchange for this contribution. Net profit and loss of the Partnership is allocated to the General Partner in accordance with its proportionate allocation which is 0.001%.

Below is a summary of the unit transactions:

2015	General Partner	Class A	Class F	Class O
Balance, December 31, 2014	–	9,068	50,442	7,439
Net contributions (redemptions)	–	16,616	42,603	1,014
Balance, December 31, 2015	–	25,684	93,045	8,453

(Expressed in Canadian dollars)

2. Partners' equity:

2014	General Partner	Class A	Class F	Class O
Balance, September 30, 2014	–	11,105	25,134	7,439
Net contributions (redemptions)	–	(2,037)	25,308	–
Balance, December 31, 2014	–	9,068	50,442	7,439

3. Financial risk management:

This note presents information about the Partnership's exposure to each of the below risks and the Partnership's objectives, policies and processes for measuring and managing risk.

The following summary is not intended to be a comprehensive outline of all risks and investors should refer to the Partnership's current Offering Memorandum for a more detailed discussion of the risks inherent in investing in the Partnership.

(a) Market risk:

The success of the Partnership's activities may be affected by general economic and market conditions such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the value of GEEREF and may have an impact on the timing and/or ability to effect a liquidity event.

The Partnership is exposed to a number of risks through its financial instruments, comprising cash, interest receivable and other receivables. Risk management relates to the active management of risks associated with all areas of the Partnership and its operating environment. The financial instruments are exposed to liquidity risk, credit risk, currency risk and concentration risk.

3. Financial risk management (continued):

(b) Liquidity risk:

Liquidity risk is the risk that the Partnership will encounter difficulty in meeting obligations associated with its financial liabilities. Since units are not redeemable until there is a liquidity event, the Partnership's main source of liquidity risk lies in its ability to pay its ongoing operating expenses and its investment administration fees. The Partnership maintains a cash reserve in order to fund these obligations and receives interest income from its investments. Should the need arise, the Partnership may also borrow to meet its obligations.

(c) Credit risk:

Credit risk is the possibility that a loss may occur from the insolvency or default of a counterparty who fails to perform according to the terms of a contract. The Partnership's cash and cash equivalents are maintained at a large financial institution with a credit rating of A. There are no accounts receivable overdue as at December 31, 2015.

(d) Currency risk:

Foreign currency risk is the possibility that revenue or expenses will change in value due to future fluctuations in exchange rates. The Partnership's revenue is in Canadian dollars and Euros and its expenses are in Canadian dollars. The Partnership enters into foreign currency forward contracts to manage its exposure to the Euro, therefore, the impact of currency risk to the Partnership is considered to be minimal.

(e) Concentration risk:

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The Partnership has concentration risk because it primarily invests in GEEREF, which has exposure to the infrastructure and development sector in select developing countries. Accordingly, regulatory, economic or political changes associated with that industry and region are likely to have an impact on the value of the Partnership's investments.

(Expressed in Canadian dollars)

4. Fair value of financial instruments:

Financial assets designated at fair value through profit or loss were as follows:

As at December 31, 2015:

Investment	Number of shares	Price per share	Fair value	Cost	Unrealized gain
GEEREF B units	348	$ 15,041	$ 5,234,427	$ 5,033,580	$ 200,847
Partners Value Split Corp	6,000	25	149,940	149,348	592
Total			$ 5,384,367	$ 5,182,928	$ 201,439

As at December 31, 2014:

Investment	Number of shares	Price per share	Fair value	Cost	Unrealized loss
GEEREF B units	195	$ 14,042	$ 2,744,093	$ 2,889,310	$ (145,217)

The cost of GEEREF includes $105,364 in actualization interest paid upon acquisition of GEEREF B units.

(a) Fair value hierarchy:

Fair value measurements are classified into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring fair value. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value based on their observable or unobservable nature.

The three levels are as follows:

- Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Partnership has the ability to access at the measurement date;

(Expressed in Canadian dollars)

4. Fair value of financial instruments (continued):

- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active; and

- Level 3 - Inputs for the asset or liability that are not based on observable market data.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Partnership. The Partnership considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following tables analyze the Partnership's financial assets and liabilities measured at fair value within the fair value hierarchy:

2015	Level 1	Level 2	Level 3	Total
Equities -Long	$ 149,940	$ –	$ –	$ 149,940
GEEREF	–	5,234,427	–	5,234,427
Foreign currency forward contracts	(148,001)	–	–	(148,001)
	$ 1,939	$ 5,234,427	$ –	$ 5,236,366

4. Fair value of financial instruments (continued):

2014	Level 1	Level 2	Level 3	Total
GEEREF	$ –	$ 2,744,093	$ –	$ 2,744,093
Foreign currency forward contracts	–	28,124	–	28,124
	$ –	$ 2,772,217	$ –	$ 2,772,217

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include investments in other partnerships that can be liquidated in line with the Partnership's actual redemption terms to meet investor liquidity requirements. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

(b) Financial instruments not measured at fair value:

Financial instruments not measured at fair value through profit or loss are short-term financial assets and financial liabilities whose carrying amounts approximate fair value.

(Expressed in Canadian dollars)

5. Classification of financial assets and financial liabilities:

The tables below set out the classifications of the carrying amounts of the Partnership's financial assets and financial liabilities into categories of financial instruments:

2015	Designated at fair value through profit or loss	Held for trading	Loans and receivables	Other financial liabilities
Cash and cash equivalents	$ –	$ –	$ 1,419,864	$ –
Investments	5,384,367	–	–	–
Foreign currency forward contracts	–	–	–	148,001
Interest receivable	–	–	600	–
Other receivables	–	–	929,035	–
Subscriptions receivable	–	–	459,500	–
Accrued fees and expenses	–	–	–	7,979
Redemptions payable	–	–	–	243,214
Payable for investments purchased	–	–	–	56,763
	$ 5,384,367	$ –	$ 2,808,999	$ 455,957

2014	Designated at fair value through profit or loss	Held for trading	Loans and receivables	Other financial liabilities
Cash and cash equivalents	$ –	$ –	$ 1,279,146	$ –
Investments	2,744,093	–	–	–
Foreign currency forward contracts	–	28,124	–	–
Interest receivable	–	–	581	–
Other receivables	–	–	189,074	–
Subscriptions receivable	–	–	200,000	–
Accrued fees and expenses	–	–	–	3,850
Payable for investments purchased	–	–	–	805,873
	$ 2,744,093	$ 28,124	$ 1,668,801	$ 809,723

6. Agreement and fees:

(a) Investment management agreement:

Portland Investment Counsel Inc. is a corporation formed under the laws of the Province of Ontario and has been engaged as the Manager to assist the General Partner with certain aspects of the business and operations of the Partnership, pursuant to a management agreement dated September 20, 2013 which may be amended from time to time. The Manager may delegate certain of these duties from time to time.

(b) Investment administration fee:

The Manager will receive a fee from the Partnership for providing portfolio advisory services and for management of the day-to-day business and operations of the Partnership. Each of the following management fees is calculated and accrued on each Valuation Date during the selling period commencing the period beginning one month from the initial Subscription Date, and on the last business day of each calendar quarter following the selling period and payable quarterly (plus applicable taxes, such as GST or HST):

(i) Class A - 1.0% per annum until December 31, 2017 then increased to 1.35% per annum from January 1, 2018 to December 31, 2020; then increased to 1.75% from January 1, 2021 based on the net asset value of Class A of the Partnership.

(ii) Class F - 0.6% per annum until December 31, 2017 then increased to 0.75% per annum from January 1, 2018 based on the net asset value of Class F of the Partnership.

(iii) Class O - negotiated with each investor.

Management fees on Class O units are paid by investors and are not recorded as an expense of the class in the determination of the net asset value of Class O units.

6. Agreement and fees (continued):

(c) Partnership organizational expenses:

The expenses incurred in respect of the organization of the Partnership and the offering of the units (the "Organizational Expenses") amounted to $85,843, including HST and were initially paid by the Manager. Such amount included legal and resignation costs associated with the formation of the Partnership and its related offering documents that were incurred by the Manager. The Manager is entitled to reimbursement for the Organizational Expenses incurred with respect to the Partnership.

(d) Agent's commission:

Registered dealers with advisors who have clients who purchase Class A units will receive an agent's commission equal to 3%, inclusive of applicable GST, HST or other applicable taxes, of the gross subscriptions into Class A units made by said clients. As at December 31, 2015, $48,915 was paid by the Manager in respect of the agent's commission.

The total amount of agent's commission will be deducted from the net asset value of the Partnership over a 60 month period commencing the first valuation date following the Final Subscription Date, which is outlined in the offering documents of the Partnership and is expected to be November 30, 2017.

(e) Promoter fee:

The Manager is also the promoter of the Partnership and is entitled to receive a promoter fee equal to 2%, inclusive of applicable GST, HST or other applicable taxes of the total amount of gross subscriptions received by the Partnership as a result of this offering. As at December 31, 2015, $153,286 is owed from the Partnership in relation to the promoter fee.

The total amount of promoter fee will be deducted from the net asset value of the Partnership over a 60 month period commencing the first valuation date following the Final Subscription Date.

6. Agreement and fees (continued):

(f) Partnership operating expenses:

The Partnership is responsible for, and the General Partner and the Manager are entitled to reimbursement from the Partnership for, all costs and operating expenses actually incurred by them, including a reasonable allocation of time spent by their personnel, in connection with the formation and organization of the Partnership and the ongoing activities of the Partnership, including but not limited to:

- third party fees and administrative expenses of the Partnership, which may include accounting, audit and legal costs, insurance premiums, Fundserv fees, custodial fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, limited partner reporting and communication expenses, organizational expenses, the cost of maintaining the Partnership's existence, dissolution and liquidation costs, regulatory fees and expenses, all reasonable extraordinary or non-recurring expenses and applicable GST and/or HST; and

- fees and expenses relating to the Partnership's investment in the shares, interest on borrowings and commitment fees and related expenses payable to lenders and counterparties, and banking fees.

7. Related party transactions:

During the year ended December 31, 2015, the Partnership paid $33,267 (2014 - $1,847) and $28,288 (2014 - $1,561) to the manager for management fees and reimbursement of fund operating expenses, respectively. These amounts are net of management fee waived of nil (2014 - $2,504) and fund operating expenses absorbed of $34,210 (2014 - $13,600). All amounts exclude applicable GST and/or HST. GST and/or HST is not recoverable by the Partnership.

Amounts paid for reimbursement of fund operating expenses include $5,729 (2014 - nil) to affiliates of the manager for services provided in respect of the Partnership. Prior to 2015, personnel who are now employed by an affiliate were employees of the Manager. Therefore there was no reimbursement to any affiliates in 2014.

7. Related party transactions (continued):

The manager, its officers and directors ("Related Parties") may invest in units of the Partnership from time to time in the normal course of business. All such transactions are measured at net asset value per unit. As at December 31 2015, seven Related Parties owned 2.3% of the NAV of the Partnership.

8. Commitments:

The Partnership has made commitments to purchase B units of GEEREF over the life of this investment. Commitments of €3,200,000, €2,500,000 €2,300,000, €2,000,000 and €4,250,000 were made on February 20, 2014, September 30, 2014, December 17, 2014, April 23, 2015 and May 29, 2015 respectively. As at December 31, 2015, the total remaining unfunded commitments for B units was €10,769,062 (2014 - €6,045,789), which becomes payable when GEEREF issues subscription requests to the Partnership.

Subsequent to year end, the Partnership was issued a subscription request from GEEREF to acquire 263 additional B units. The Partnership paid €2,631,844 for these units on February 8, 2016.

The Portland Global Energy Efficiency and Renewable Energy Fund LP (the "Partnership") is not publicly offered. It is only available under prospectus exemptions and other exemptions available to investors who meet certain eligibility or minimum or maximum purchase requirements. Currently these exemptions include the accredited investor exemption, the offering memorandum exemption and the $150,000 minimum purchase exemption for non-individuals. Information herein pertaining to the Partnership is solely for the purpose of providing information and is not to be construed as a public offering in any jurisdiction of Canada. The offering of Units of the Partnership is made pursuant to a Confidential Offering Memorandum and the information contained herein is a summary only and is qualified by the more detailed information in the Confidential Offering Memorandum.

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