



## TRANSEASTERN POWER TRUST

### **Transeastern Power Trust Announces Closing of Initial Public Offering of Units and Convertible Unsecured Subordinated Debentures**

NOT FOR DISTRIBUTION IN THE UNITED STATES OR OVER UNITED STATES WIRE SERVICES

Toronto, May 29, 2014 - Transeastern Power Trust (“**Transeastern**” or the “**Trust**”) is pleased to announce it has closed its initial public offering (the “**Offering**”) of 11,045,800 units of the Trust (the “**Units**”) at a price of \$1.00 per Unit along with \$11,763,000 aggregate principal amount of 7.5% convertible unsecured subordinate debentures (the “**Debentures**”) for aggregate gross proceeds of \$22,808,800. The Units and Debentures were offered pursuant to a prospectus dated March 31, 2014 (the “**Prospectus**”) filed with the securities regulatory authorities in each of the provinces of Canada, except Québec, and were underwritten by a syndicate of underwriters led by Canaccord Genuity Corp. and which included GMP Securities L.P. (together, the “**Underwriters**”).

The majority of the proceeds of the Offering were used to purchase three hydroelectric power projects located in Romania, namely the Rott, Zagra and Suha projects. The three projects are comprised of 11 run-of-river hydroelectric power plants with total capacity of over 5.1 MW. Each of the projects is an independent Romanian hydroelectric power producer that generates and sells, or expects to generate and sell, electricity to licensed electricity buyers in Romania. The Prospectus, which contains further details on the projects, the Trust, the Units and the Debentures, is available for review at [www.sedar.com](http://www.sedar.com).

The Trust has received conditional approval from the TSX Venture Exchange (the “**TSXV**”) to list the Units and Debentures on the TSXV. The Trust Units will be listed on the TSXV under the symbol “TEP.un” and the Debentures listed under the symbol “TEP.db”. Trading of the Units and Debentures is expected to commence on Monday, June 2, 2014.

This press release does not constitute an offer to sell or the solicitation of any offer to buy the securities in the United States, in any province or territory of Canada or in any other jurisdiction. The securities to be offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any U.S. State securities laws and may not be offered or sold in the United States absent registration or absent an applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. State securities laws. There shall be no sale of the securities in any jurisdiction in which an offer to sell, a solicitation of any offer to buy or sale would be unlawful.

#### **About Transeastern**

The Trust, through its direct and indirect subsidiaries in Canada, the Netherlands and Romania, has been formed to acquire interests in renewable energy assets in Romania, other countries in

Europe and abroad that can provide stable cash flow to the Trust and a suitable risk-adjusted return on investment. The Trust seeks to provide investors with long-term, stable distributions, while preserving the capital value of its investment portfolio through investment, principally in a range of operational assets, which generate electricity from renewable energy sources, with a particular focus on hydroelectric power.

The Trust intends to qualify as a “mutual fund trust” under the *Income Tax Act* (Canada) (the “**Tax Act**”). The Trust will not be a “SIFT trust” (as defined in the Tax Act), provided that the Trust complies at all times with its investment restriction which precludes the Trust from holding any “non-portfolio property” (as defined in the Tax Act).

### **Forward-Looking Statements**

This press release contains forward-looking information that involves substantial known and unknown risks and uncertainties, most of which are beyond the control of Transeastern, including, without limitation, those listed under “Risk Factors” and “Forward-Looking Statements” in the Prospectus (collectively “forward-looking information”). Forward-looking information in this news release includes, but is not limited to, information concerning the proposed intimal public offer, Transeastern’s objectives and status as a mutual fund trust and not a SIFT trust and Transeastern’s expectations regarding the payment of distributions to unitholders. Transeastern cautions investors of Transeastern’s securities about important factors that could cause Transeastern’s actual results to differ materially from those projected in any forward-looking statements included in this news release. Any statements express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in such forward-looking statements. No assurance can be given that the expectations set out in the Prospectus or this news release will prove to be correct and accordingly, prospective investors should not place undue reliance on these forward-looking statements. These statements speak only as of the date of this press release and Transeastern does not assume any obligation to update or revise them to reflect new events or circumstances.

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