



NEWS RELEASE
For immediate release

KP Tissue Releases Second Quarter 2020 Financial Results
Higher Volume and Productivity Drive Continued Robust Results

Mississauga (ON), August 6, 2020 - KP Tissue Inc. (KPT) (TSX: KPT) reports the Q2 2020 financial and operational results of KPT and Kruger Products L.P. (KPLP). Kruger Products is Canada's leading manufacturer of quality tissue products for the Consumer market (Cashmere, Purex, SpongeTowels, Scotties, and White Swan) and the Away-From-Home market, and continues to grow in the U.S. Consumer tissue business with the White Cloud® brand and premium private label products. KPT currently holds a 14.8% interest in KPLP.

KPLP Q2 2020 Business and Financial Highlights

- Revenue increased by \$21.1 million or 5.8% to \$386.8 million in Q2 2020 compared to \$365.7 million in Q2 2019. Excluding the divested Mexico business, Q2 2020 revenue increased by \$46.5 million or 13.7%.
- Adjusted EBITDA was \$64.4 million in Q2 2020 compared to \$31.5 million in Q2 2019, an increase of 104.6%.
- TAD Sherbrooke site progressing on time and on budget despite the temporary shutdown in Q1 2020 due to the implementation of strict COVID-19 protocols.
- Declared a quarterly dividend of \$0.18 per share to be paid on October 15, 2020.

"Our robust second quarter results were driven by a consistent increased demand in our Consumer segment and strong operational performance. We continued to benefit from the trust in our brands, leading to market share gains that began at the end of last year. We also gained new listings and new customers, and saw good growth and increased distribution in our U.S. White Cloud brand. As expected, the Away-from-Home segment faced challenging market conditions during the quarter and the road to recovery in this market will depend on the evolving COVID-19 situation," stated KP Tissue Chief Executive Officer, Dino Bianco.

"Adjusted EBITDA performance was exceptional with growth of over 100% to \$64.4 million. The increase reflects higher Consumer volume and a favourable cost environment as well as the sustainable benefits of our OpEx program across all operations.

"Despite a temporary halt to construction as we implemented COVID-19 procedures, we are pleased to report that TAD Sherbrooke remains on time and on budget. As planned, the first converting-line started in July and the ramp-up is progressing well. With paper production expected to begin in early 2021, the new facility is central to our long-term North American growth strategy in the ultra-premium tissue segment. Furthermore, we have a fully committed sales pipeline in support of our largest investment in Kruger Products' history.

"In addition to robust quarterly performance, we continue to reinvest in our brands and business in order to build an even stronger future. Lastly, I would like to thank the entire Kruger Products team for working safe while driving strong performance during COVID-19," concluded Mr. Bianco.

Outlook

Demand for our products is expected to remain strong but at a diminishing growth rate in the Consumer segment and weaker in the Away-From-Home segment, with input costs expected to remain unchanged. As COVID-19 continues to evolve, there are many opportunities and uncertainties in the market. Given this, we are providing a wide range for Q3 2020 Adjusted EBITDA that is above Q3 2019 and below Q2 2020.

KPLP Q2 2020 Financial Results

Revenue was \$386.8 million in Q2 2020 compared to \$365.7 million in Q2 2019, an increase of \$21.1 million or 5.8%. The increase in revenue was primarily due to significant volume increases in the Consumer business segment, resulting primarily from COVID-19 buying activity and the favourable impact of foreign exchange fluctuations, partially offset by lower volume in the AFH business segment resulting from the ongoing impacts from COVID-19, Consumer selling prices moderating lower in

response to lower pulp prices, and no volume from Mexico as a result of the share sale at the end of Q3 2019. Mexico revenue was \$25.4 million in Q2 2019. Excluding the Mexico business, revenue increased by \$46.5 million or 13.7%

Cost of sales was \$310.0 million in Q2 2020 compared to \$325.8 million in Q2 2019, a decrease of \$15.8 million or 4.8%. Manufacturing costs decreased primarily due to favourable pulp costs, the impact of operational transformation initiatives (OpEx) and the COVID-19 reduced sku production environment. The decreases were partially offset by the unfavourable impact of foreign exchange fluctuations, inflation and additional costs due to precautions taken in our manufacturing facilities as a result of COVID-19. Freight costs decreased compared to Q2 2019 while warehousing costs increased. As a percentage of revenue, cost of sales was 80.2% in Q2 2020 compared to 89.1% in Q2 2019.

Selling, general and administrative (SG&A) expenses were \$30.5 million in Q2 2020 compared to \$25.4 million in Q2 2019, an increase of \$5.1 million or 20.2%. The increase was primarily due to higher compensation and personnel related costs compared to Q2 2019 and higher selling expenses due to increased volume. As a percentage of revenue, SG&A expenses were 7.9% in Q2 2020 compared to 6.9% in Q2 2019.

Adjusted EBITDA was \$64.4 million in Q2 2020 compared to \$31.5 million in Q2 2019, an increase of \$32.9 million or 104.6%. The increase was primarily due to higher sales volume, the favourable impact of lower pulp prices and lower manufacturing costs compared to Q2 2019 as described above and favourable freight costs. The increases were partially offset by higher maintenance, warehousing and SG&A costs.

Net income was \$28.9 million in Q2 2020 compared to \$0.9 million in Q2 2019, an increase of \$28.0 million. The increase was primarily due to higher Adjusted EBITDA of \$32.9 million as discussed, partially offset by higher income tax expense and an increase in depreciation expense.

KPLP Q2 2020 Financing Activity

Total liquidity, representing cash and availability under the Senior Credit Facility within covenant limitations, was \$271.7 million as of June 30, 2020. In addition, \$37.8 million of cash was held by KPSI and committed to the TAD Sherbrooke Project.

KPT Q2 2020 Financial Results

KPT had a net loss of \$0.1 million in Q2 2020. Included in net loss was \$4.3 million representing KPT's share of KPLP's net income, depreciation expense of \$1.4 million related to adjustments to carrying amounts on acquisition and income tax expense of \$3.3 million.

Dividends on Common Shares

The Board of Directors of KPT declared a quarterly dividend of \$0.18 per share to be paid on October 15, 2020 to shareholders of record at the close of business on September 30, 2020.

Additional Information

For additional information please refer to Management's Discussion and Analysis (MD&A) of KPT and KPLP for the second quarter ended June 30, 2020 available on SEDAR at www.sedar.com or our website at www.kptissueinc.com.

Second Quarter Results Conference Call Information

KPT will hold its second quarter conference call on Thursday, August 6, 2020 at 8:30 a.m. Eastern Time.

Via telephone: 1-877-223-4471 or 647-788-4922

Via the internet at: www.kptissueinc.com

Presentation material referenced during the conference call will be available at www.kptissueinc.com.

A rebroadcast of the conference call will be available until midnight, August 13, 2020 by dialing 1-800-585-8367 or 416-621-4642 and entering passcode 1935229.

The replay of the webcast will remain available on the website until midnight, August 13, 2020.

About KP Tissue Inc. (KPT)

KPT was created to acquire, and its business is limited to holding, a limited partnership interest in KPLP, which is accounted for as an investment on the equity basis. KPT currently holds a 14.8% interest in KPLP. For more information visit www.kptissueinc.com.

About Kruger Products L.P. (KPLP)

KPLP is Canada's leading manufacturer of quality tissue products for household, industrial and commercial use. KPLP serves the Canadian consumer market with such well-known brands as Cashmere®, Purex®, SpongeTowels®, Scotties® and White Swan®. In the U.S., KPLP manufactures the White Cloud® brand, as well as many private label products. The Away-From-Home division manufactures and distributes high-quality, cost-effective product solutions to a wide range of commercial and public entities. KPLP has approximately 2,500 employees and operates eight FSC® COC-certified (FSC® C-104904) production facilities in North America. For more information visit www.krugerproducts.ca.

Non-IFRS Measures

This press release uses certain non-IFRS financial measures which KPLP believes provide useful information to management of KPLP and the readers of the financial information in measuring the financial performance and financial condition of KPLP. These measures do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other companies. An example of such a measure is Adjusted EBITDA. Beginning with Q4 2015 in accordance with Canadian Securities Administrators Staff Notice 52-306 (Revised), we have referenced Adjusted EBITDA as a non-IFRS financial measure. This term replaces the previously referenced non-IFRS financial measure EBITDA. Adjusted EBITDA is not a measurement of operating performance computed in accordance with IFRS and should not be considered as a substitute for operating income, net income or cash flows from operating activities computed in accordance with IFRS. "Adjusted EBITDA" is calculated by KPLP as net income (loss) before (i) interest expense, (ii) income taxes, (iii) depreciation, (iv) amortization, (v) impairment (gain on sale) of non-financial assets, (vi) loss (gain) on disposal of property, plant and equipment, (vii) foreign exchange loss (gain), (viii) costs related to restructuring activities, (ix) changes in amortized cost of Partnership units liability, (x) change in fair value of derivatives, (xi) consulting costs related to operational transformation initiatives, (xii) corporate development related costs and (xiii) loss (gain) on sale of shares. A reconciliation of Adjusted EBITDA to the relevant reported results can be found in the MD&A of KPT and KPLP for the year ended December 31, 2019 available on SEDAR at www.sedar.com.

COVID-19

In March 2020, the World Health Organization characterized the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", as a global pandemic. This has resulted in local governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses in the United States of America and Canada resulting in an economic slowdown. Equity markets have experienced significant volatility and weakness and the local governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. There is significant uncertainty as to the likely effects of this outbreak. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments to quantify the impact this pandemic may have on the financial results and condition of KPLP in future periods.

Forward-Looking Statements

Certain statements in this press release about KPT's and KPLP's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. Forward-looking statements in this press release include, but are not limited to, statements regarding the projected capacity of the TAD Sherbrooke Project, the anticipated benefits of the TAD Sherbrooke Project and the expected dates for commencement of construction and production of the TAD Sherbrooke Project. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. The forward-looking statements are based on certain key expectations and assumptions made by KPT or KPLP. Although KPT and KPLP believe that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking statements since no assurance can be given that such expectations and assumptions will prove to be correct.

The outlook provided in respect of Adjusted EBITDA for Q3 2020 is forward-looking information and is subject to the risk and uncertainties referred to below. The purpose of the outlook is to provide the reader with an indication of management's

expectations, at the date of this press release, regarding KPLP's future financial performance. Readers are cautioned that this information may not be appropriate for other purposes.

Many factors could cause KPLP's actual results, level of activity, performance or achievements or future events or developments (which could in turn affect the economic benefits derived from KPT's economic interest in KPLP), to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors, which are discussed in greater detail in the "Risk Factors – Risks Related to KPLP's Business" section of the KPT Annual Information Form dated March 30, 2020 available on SEDAR at www.sedar.com: Kruger Inc.'s influence over KPLP; KPLP's reliance on Kruger Inc.; consequences of an event of insolvency relating to Kruger Inc.; risks associated with the TAD Sherbrooke Project; operational risks; significant increases in input costs; reduction in supply of fibre; increased pricing pressure and intense competition; KPLP's inability to innovate effectively; adverse economic conditions; dependence on key retail trade customers; damage to the reputation of KPLP or KPLP's brands; KPLP's sales being less than anticipated; KPLP's failure to implement its business and operating strategies; KPLP's obligation to make regular capital expenditures; KPLP's entering into unsuccessful acquisitions; KPLP's dependence on key personnel; KPLP's inability to retain its existing customers or obtain new customers; KPLP's loss of key suppliers; KPLP's failure to adequately protect its intellectual property rights; KPLP's reliance on third party intellectual property licenses; adverse litigation and other claims affecting KPLP; material expenditures due to comprehensive environmental regulation affecting KPLP's cash flow; KPLP's pension obligations are significant and can be materially higher than predicted if KPLP Management's underlying assumptions are incorrect; labour disputes adversely affecting KPLP's cost structure and KPLP's ability to run its plants; exchange rate and U.S. competitors; KPLP's inability to service all of its indebtedness; exposure to potential consumer product liability; covenant compliance; interest rate and refinancing risk; risks relating to information technology; cyber-security; insurance; internal controls; trade; and risks related to COVID-19.

Readers should not place undue reliance on forward-looking statements made herein. The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement. The forward-looking information contained herein is made as of the date of press release and KPT undertakes no obligation to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws.

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Kruger Products L.P.
Unaudited Condensed Consolidated Statement of Financial Position
(thousands of Canadian dollars)

	June 30, 2020	December 31, 2019
	<u>\$</u>	<u>\$</u>
Assets		
Current assets		
Cash and cash equivalents	144,188	93,141
Trade and other receivables	89,431	89,236
Receivables from related parties	16	59
Current portion of advances to partners	2,323	80
Inventories	193,214	190,686
Income tax recoverable	-	466
Prepaid expenses	15,273	8,341
	<u>444,445</u>	<u>382,009</u>
Non-current assets		
Property, plant and equipment	1,063,825	935,010
Right-of-use assets	92,402	97,582
Other long-term assets	10	1,766
Goodwill	160,939	160,939
Intangible assets	16,137	15,317
Deferred income taxes	24,750	30,988
	<u>1,802,508</u>	<u>1,623,611</u>
Liabilities		
Current liabilities		
Trade and other payables	254,773	242,357
Payables to related parties	10,178	6,809
Income tax payable	1,242	325
Distributions payable	11,760	11,393
Current portion of provisions	3,509	759
Current portion of long-term debt	4,937	11,937
Current portion of lease liabilities	19,796	18,080
	<u>306,195</u>	<u>291,660</u>
Non-current liabilities		
Long-term debt	700,388	579,125
Lease liabilities	93,987	100,682
Provisions	5,196	6,148
Pensions	179,153	140,674
Post-retirement benefits	61,021	57,005
	<u>1,345,940</u>	<u>1,175,294</u>
Liabilities to non-unitholders		
Current portion of Partnership units liability	12,599	5,103
Long-term portion of Partnership units liability	130,853	138,412
Total Partnership units liability	<u>143,452</u>	<u>143,515</u>
Total liabilities	<u>1,489,392</u>	<u>1,318,809</u>
Equity		
Partnership units	428,936	408,978
Deficit	(209,059)	(183,188)
Accumulated other comprehensive income	93,239	79,012
	<u>313,116</u>	<u>304,802</u>
Total equity	<u>313,116</u>	<u>304,802</u>
Total equity and liabilities	<u>1,802,508</u>	<u>1,623,611</u>

Kruger Products L.P.
Unaudited Condensed Consolidated Statement of Comprehensive Income (Loss)
(thousands of Canadian dollars)

	3-month period ended June 30, 2020	3-month period ended June 30, 2019	6-month period ended June 30, 2020	6-month period ended June 30, 2019
	\$	\$	\$	\$
Revenue	386,763	365,674	761,909	716,651
Expenses				
Cost of sales	310,009	325,723	624,522	645,831
Selling, general and administrative expenses	30,492	25,370	60,126	47,426
Loss on sale of non-financial assets	-	6	1	6
Restructuring costs, net	483	232	1,221	297
Operating income	45,779	14,343	76,039	23,091
Interest expense	11,333	11,433	21,913	22,730
Other (income) expense	(3,269)	864	8,152	1,713
Income (loss) before income taxes	37,715	2,046	45,974	(1,352)
Income taxes	8,811	1,114	8,682	928
Net income (loss) for the period	28,904	932	37,292	(2,280)
Other comprehensive income (loss)				
Items that will not be reclassified to net income (loss):				
Remeasurements of pensions	(103,032)	(52,439)	(36,655)	(50,412)
Remeasurements of post-retirement benefits	(9,896)	(4,201)	(3,388)	(6,331)
Items that may be subsequently reclassified to net income (loss):				
Cumulative translation adjustment	(12,480)	(6,123)	14,227	(12,513)
Total other comprehensive loss for the period	(125,408)	(62,763)	(25,816)	(69,256)
Comprehensive income (loss) for the period	(96,504)	(61,831)	11,476	(71,536)

Kruger Products L.P.
Unaudited Condensed Consolidated Statement of Cash Flows
(thousands of Canadian dollars)

	3-month period ended June 30, 2020 \$	3-month period ended June 30, 2019 \$	6-month period ended June 30, 2020 \$	6-month period ended June 30, 2019 \$
Cash flows from (used in) operating activities				
Net income (loss) for the period	28,904	932	37,292	(2,280)
Items not affecting cash				
Depreciation	16,515	14,516	32,960	28,896
Amortization	399	370	773	732
(Gain) loss on sale of property, plant and equipment	49	-	49	(5)
Change in amortized cost of Partnership units liability	2,520	1,547	5,040	3,094
Foreign exchange (gain) loss	(5,789)	(960)	3,472	(1,658)
Change in fair value of derivatives	-	277	(360)	277
Interest expense	11,333	11,433	21,913	22,730
Pension and post-retirement benefits	3,694	2,756	7,474	5,201
Provisions	1,844	503	3,599	673
Income taxes	8,811	1,114	8,682	928
Loss on sale of non-financial assets	-	6	1	6
Total items not affecting cash	39,376	31,562	83,603	60,874
Net change in non-cash working capital	47,540	7,819	26,035	(44,806)
Contributions to pension and post-retirement benefit plans	(3,853)	(4,041)	(7,938)	(7,153)
Provisions paid	(1,663)	(407)	(1,871)	(472)
Income tax payments	(13)	(1,338)	(13)	(1,597)
Net cash from operating activities	110,291	34,527	137,108	4,566
Cash flows from (used in) investing activities				
Purchases of property, plant and equipment	(3,405)	(6,759)	(7,451)	(12,280)
Purchases of property, plant and equipment related to the TAD Sherbrook	(67,320)	(31,092)	(132,013)	(42,208)
Interest paid on credit facilities related to the TAD Sherbrooke Project	(2,054)	(769)	(4,204)	(1,453)
Purchases of software	(548)	(116)	(1,593)	(1,334)
Proceeds on sale of shares	-	-	992	-
Proceeds on sale of property, plant and equipment	-	-	-	5
Net cash used in investing activities	(73,327)	(38,736)	(144,269)	(57,270)
Cash flows from (used in) financing activities				
Proceeds from long-term debt	26,754	10,411	132,327	35,188
Repayment of long-term debt	(32,434)	(6,032)	(33,701)	(7,286)
Payment of deferred financing fees	(488)	(67)	(493)	(353)
Payment of lease liabilities	(5,426)	(4,041)	(9,917)	(8,266)
Interest paid on long-term debt	(19,702)	(11,359)	(21,622)	(13,947)
Distributions and advances paid, net	(3,724)	(3,574)	(10,221)	(5,544)
Net cash from (used in) financing activities	(35,020)	(14,662)	56,373	(208)
Effect of exchange rate changes on cash and cash equivalents held in foreign currency	(2,395)	(699)	1,835	(1,537)
Increase (decrease) in cash and cash equivalents during the period	(451)	(19,570)	51,047	(54,449)
Cash and cash equivalents - Beginning of period	144,639	135,005	93,141	169,884
Cash and cash equivalents - End of period	144,188	115,435	144,188	115,435

Kruger Products L.P.
Segment and Geographic Results
(thousands of Canadian dollars)

	3-month period ended June 30, 2020 \$	3-month period ended June 30, 2019 \$	6-month period ended June 30, 2020 \$	6-month period ended June 30, 2019 \$
<i>Segment Information</i>				
Segment Revenue				
Consumer	338,242	299,663	651,531	595,848
AFH	48,521	66,011	110,378	120,803
Total segment revenue	<u>386,763</u>	<u>365,674</u>	<u>761,909</u>	<u>716,651</u>
Adjusted EBITDA				
Consumer	69,580	35,354	123,929	65,446
AFH	(2,145)	(3,045)	(3,166)	(9,629)
Corporate and other costs	(3,012)	(820)	(5,389)	(778)
Total Adjusted EBITDA	<u>64,423</u>	<u>31,489</u>	<u>115,374</u>	<u>55,039</u>
Reconciliation to Net Income (Loss):				
Depreciation and amortization	16,914	14,886	33,733	29,628
Interest expense	11,333	11,433	21,913	22,730
Change in amortized cost of Partnership units liability	2,520	1,547	5,040	3,094
Change in fair value of derivatives	-	277	(360)	277
(Gain) loss on sale of property, plant and equipment	49	-	49	(5)
Loss on sale of non-financial assets	-	6	1	6
Restructuring costs, net	483	232	1,221	297
Foreign exchange (gain) loss	(5,789)	(960)	3,472	(1,658)
Consulting costs related to operational transformation initiatives	1,198	1,283	4,331	1,283
Corporate development related costs	-	739	-	739
Income (loss) before income taxes	<u>37,715</u>	<u>2,046</u>	<u>45,974</u>	<u>(1,352)</u>
Income taxes	8,811	1,114	8,682	928
Net income (loss)	<u>28,904</u>	<u>932</u>	<u>37,292</u>	<u>(2,280)</u>
Geographic Revenue				
Canada	218,438	208,163	448,533	405,579
US	168,325	132,063	313,376	259,576
Mexico	-	25,448	-	51,496
Total revenue	<u>386,763</u>	<u>365,674</u>	<u>761,909</u>	<u>716,651</u>

KP Tissue Inc.
Unaudited Condensed Statement of Financial Position
(thousands of Canadian dollars)

	June 30, 2020	December 31, 2019
	<u>\$</u>	<u>\$</u>
Assets		
Current assets		
Distributions receivable	1,745	1,733
Receivable from Partnership	73	247
	<u>1,818</u>	<u>1,980</u>
Non-current assets		
Investment in associate	77,176	81,052
Total Assets	<u><u>78,994</u></u>	<u><u>83,032</u></u>
Liabilities		
Current liabilities		
Dividend payable	1,745	1,733
Current portion of advances from Partnership	360	80
Income tax payable	1,281	944
	<u>3,386</u>	<u>2,757</u>
Non-current liabilities		
Deferred income taxes	1,551	3,158
Total liabilities	<u>4,937</u>	<u>5,915</u>
Equity		
Common shares	19,669	18,997
Contributed surplus	144,819	144,819
Deficit	(106,559)	(100,696)
Accumulated other comprehensive income	16,128	13,997
Total equity	<u>74,057</u>	<u>77,117</u>
Total liabilities and equity	<u><u>78,994</u></u>	<u><u>83,032</u></u>

KP Tissue Inc.

Unaudited Condensed Statement of Comprehensive Loss
(thousands of Canadian dollars, except share and per share amounts)

	3-month period ended June 30, 2020	3-month period ended June 30, 2019	6-month period ended June 30, 2020	6-month period ended June 30, 2019
	\$	\$	\$	\$
Equity income (loss)	2,925	(1,288)	2,800	(3,237)
Dilution gain	231	142	451	231
Income (loss) before income taxes	3,156	(1,146)	3,251	(3,006)
Income taxes	3,279	1,437	1,673	1,529
Net income (loss) for the period	(123)	(2,583)	1,578	(4,535)
Other comprehensive income (loss) net of tax expense (recovery)				
Items that will not be reclassified to net income (loss):				
Remeasurements of pensions	(12,347)	(6,827)	(3,655)	(6,550)
Remeasurements of post-retirement benefits	(906)	(390)	(309)	(586)
Items that may be subsequently reclassified to net income (loss):				
Cumulative translation adjustment	(1,950)	(1,012)	2,131	(2,112)
Total other comprehensive loss for the period	(15,203)	(8,229)	(1,833)	(9,248)
Comprehensive loss for the period	(15,326)	(10,812)	(255)	(13,783)
Basic earnings (loss) per share	(0.01)	(0.27)	0.16	(0.48)
Weighted average number of shares outstanding	9,689,578	9,515,910	9,672,481	9,490,276

KP Tissue Inc.
Unaudited Condensed Statement of Cash Flows
(thousands of Canadian dollars)

	3-month period ended June 30, 2020	3-month period ended June 30, 2019	6-month period ended June 30, 2020	6-month period ended June 30, 2019
	\$	\$	\$	\$
Cash flows from (used in) operating activities				
Net income (loss) for the period	(123)	(2,583)	1,578	(4,535)
Items not affecting cash				
Equity (income) loss	(2,925)	1,288	(2,800)	3,237
Dilution gain	(231)	(142)	(451)	(231)
Income taxes	3,279	1,437	1,673	1,529
Total items not affecting cash	123	2,583	(1,578)	4,535
Net change in non-cash working capital	1	-	94	-
Tax payments	(361)	-	(1,235)	-
Tax Distribution	-	-	781	-
Advances received	360	-	360	-
Net cash from (used in) operating activities	-	-	-	-
Cash flows from investing activities				
Partnership unit distributions received	1,400	1,279	2,793	2,427
Net cash from investing activities	1,400	1,279	2,793	2,427
Cash flows used in financing activities				
Dividends paid	(1,400)	(1,279)	(2,793)	(2,427)
Net cash used in financing activities	(1,400)	(1,279)	(2,793)	(2,427)
Increase (decrease) in cash and cash equivalents during the period	-	-	-	-
Cash and cash equivalents - Beginning of period	-	-	-	-
Cash and cash equivalents - End of period	-	-	-	-