

**CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**September 30, 2020**  
**(Unaudited)**

**CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**(Unaudited)**

<i>As at (thousands of Canadian dollars)</i>	Notes	September 30 2020	December 31 2019
<b>ASSETS</b>			
Current assets			
Cash		110,089	89,006
Restricted cash		275	190
Trade and other receivables		16,922	26,143
Inventories		17,798	16,914
Current portion of reserve fund		2,616	-
Prepayments		4,138	2,578
<b>Total current assets</b>		<b>151,838</b>	<b>134,831</b>
Non-current assets			
Property, plant and equipment	4	779,354	770,794
Intangible assets		665	581
Investment in joint venture		1,998	2,023
Reserve fund		37,050	38,061
<b>Total assets</b>		<b>970,905</b>	<b>946,290</b>
<b>LIABILITIES AND EQUITY</b>			
Current liabilities			
Trade and other payables		32,743	36,265
Rental and royalty payable		4,612	6,883
Current portion of deferred contributions		690	690
<b>Total current liabilities</b>		<b>38,045</b>	<b>43,838</b>
Non-current liabilities			
Deferred contributions		8,669	9,186
Decommissioning liabilities		1,309	1,285
Employee future benefits		35,949	34,684
<b>Total liabilities</b>		<b>83,972</b>	<b>88,993</b>
Shareholders' equity			
Share capital		82,900	82,900
Contributed capital		8,195	8,195
Reserves		(4,911)	(6,516)
Retained earnings		800,749	772,718
<b>Total equity</b>		<b>886,933</b>	<b>857,297</b>
<b>Total liabilities and equity</b>		<b>970,905</b>	<b>946,290</b>

Commitments and contingencies (Note 11)

*See accompanying notes*

**CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED**  
**STATEMENT OF PROFIT AND COMPREHENSIVE INCOME**  
(Unaudited)

<i>For the period ended September 30 (thousands of Canadian dollars)</i>	Notes	Three months ended		Nine months ended	
		2020	2019	2020	2019
Energy sales		<b>26,131</b>	26,496	<b>79,223</b>	78,379
Guaranteed winter availability		-	-	<b>22,981</b>	22,451
Net finance income	6	<b>398</b>	672	<b>1,412</b>	1,728
Other revenue		<b>172</b>	195	<b>517</b>	601
<b>Revenue</b>		<b>26,701</b>	27,363	<b>104,133</b>	103,159
Operating costs	7	<b>16,421</b>	15,634	<b>42,638</b>	44,398
Depreciation and amortization	4	<b>7,420</b>	6,924	<b>22,773</b>	20,840
Other expense	8	<b>590</b>	675	<b>4,768</b>	4,623
Share of loss (profit) of joint venture		<b>22</b>	(3)	<b>25</b>	(73)
<b>Expenses</b>		<b>24,453</b>	23,230	<b>70,204</b>	69,788
<b>Profit for the period</b>		<b>2,248</b>	4,133	<b>33,929</b>	33,371
Other comprehensive income for the period					
Net fair value gain on reserve fund		<b>219</b>	15	<b>1,605</b>	613
<b>Other comprehensive income for the period</b>		<b>219</b>	15	<b>1,605</b>	613
<b>Total comprehensive income for the period</b>		<b>2,467</b>	4,148	<b>35,534</b>	33,984

*See accompanying notes*

**CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
(Unaudited)

<i>(thousands of Canadian dollars)</i>	Notes	Share Capital	Contributed Capital	Fair Value Reserve	Employee Benefit Reserve	Retained Earnings	Total
<b>Balance at January 1, 2020</b>		<b>82,900</b>	<b>8,195</b>	<b>562</b>	<b>(7,078)</b>	<b>772,718</b>	<b>857,297</b>
<b>Profit for the period</b>		-	-	-	-	<b>33,929</b>	<b>33,929</b>
<b>Other comprehensive income</b>		-	-	<b>1,605</b>	-	-	<b>1,605</b>
<b>Total comprehensive income for the period</b>		-	-	<b>1,605</b>	-	<b>33,929</b>	<b>35,534</b>
<b>Preferred dividends</b>	5	-	-	-	-	<b>(5,898)</b>	<b>(5,898)</b>
<b>Balance at September 30, 2020</b>		<b>82,900</b>	<b>8,195</b>	<b>2,167</b>	<b>(7,078)</b>	<b>800,749</b>	<b>886,933</b>
Balance at January 1, 2019		82,900	8,195	63	(4,245)	729,542	816,455
Profit for the period		-	-	-	-	33,371	33,371
Other comprehensive income		-	-	613	-	-	613
Total comprehensive income for the period		-	-	613	-	33,371	33,984
Preferred dividends	5	-	-	-	-	(5,748)	(5,748)
Balance at September 30, 2019		82,900	8,195	676	(4,245)	757,165	844,691

See accompanying notes

**CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED**  
**STATEMENT OF CASH FLOWS**  
(Unaudited)

<i>For the period ended September 30 (thousands of Canadian dollars)</i>	Notes	<b>Three months ended</b>		<b>Nine months ended</b>	
		<b>2020</b>	2019	<b>2020</b>	2019
<b>Operating activities</b>					
Profit for the period		<b>2,248</b>	4,133	<b>33,929</b>	33,371
Adjustments to reconcile profit to cash provided from operating activities:					
Depreciation and amortization	4	<b>7,420</b>	6,924	<b>22,773</b>	20,840
Amortization of deferred contributions		<b>(172)</b>	(186)	<b>(517)</b>	(559)
Employee benefits		<b>457</b>	476	<b>1,265</b>	1,433
Loss (gain) on disposal of property, plant and equipment	8	<b>24</b>	(100)	<b>147</b>	14
Share of loss (profit) of joint venture		<b>22</b>	(3)	<b>25</b>	(73)
Finance income	6	<b>(415)</b>	(699)	<b>(1,457)</b>	(1,775)
Finance expense	6	<b>17</b>	27	<b>45</b>	47
		<b>9,601</b>	10,572	<b>56,210</b>	53,298
Change in non-cash working capital balances	12	<b>(5,086)</b>	(1,802)	<b>(5,044)</b>	5,026
Interest received		<b>375</b>	1,077	<b>1,419</b>	1,787
Interest paid		<b>(9)</b>	(21)	<b>(21)</b>	(30)
<b>Net cash provided from operating activities</b>		<b>4,881</b>	9,826	<b>52,564</b>	60,081
<b>Investing activities</b>					
Additions to property, plant and equipment	4	<b>(18,636)</b>	(26,609)	<b>(31,378)</b>	(44,607)
Addition to intangible assets		<b>(64)</b>	(92)	<b>(186)</b>	(92)
Decrease in short-term investments		-	51,600	-	51,600
Increase in reserve fund		-	-	-	(24)
Additions to deferred contributions		-	-	-	98
Proceeds on disposal of property, plant and equipment		-	171	-	171
Changes in non-cash working capital balances	12	<b>10,942</b>	7,498	<b>6,066</b>	9,343
<b>Net cash (used in) provided from investing activities</b>		<b>(7,758)</b>	32,568	<b>(25,498)</b>	16,489
<b>Financing activities</b>					
Increase in restricted cash		-	(14)	<b>(85)</b>	(90)
Preferred dividends	5	<b>(1,733)</b>	(1,713)	<b>(5,898)</b>	(5,748)
<b>Net cash used in financing activities</b>		<b>(1,733)</b>	(1,727)	<b>(5,983)</b>	(5,838)
<b>Net (decrease) increase in cash</b>		<b>(4,610)</b>	40,667	<b>21,083</b>	70,732
Cash, beginning of the period		<b>114,699</b>	75,257	<b>89,006</b>	45,192
Cash, end of the period		<b>110,089</b>	115,924	<b>110,089</b>	115,924

See accompanying notes

**CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED**  
**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**

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**1. DESCRIPTION OF BUSINESS**

Churchill Falls (Labrador) Corporation Limited (Churchill Falls) is incorporated under the laws of Canada and operates a hydroelectric generating plant and related transmission facilities in Labrador with a rated capacity of 5,428 megawatts (MW). Churchill Falls operates under rights leased from the Province of Newfoundland and Labrador (the Province) for 99 years, which are renewable for a further term of 99 years under the Churchill Falls (Labrador) Corporation Limited (Lease) Act, 1961 (the Lease) as amended, covering the water power potential of the Upper Churchill watershed. Energy from Churchill Falls is provided to two customers: Hydro-Québec and Newfoundland and Labrador Hydro (Hydro). Churchill Falls is 65.8% owned by Hydro, whose parent company is Nalcor Energy (Nalcor). The remaining 34.2% is owned by Hydro-Québec. Effective June 18, 1999, the two shareholders of Churchill Falls, Hydro and Hydro-Québec, entered into a Shareholders' Agreement which provided, among other matters, that certain of the strategic operating, financing and investing policies of Churchill Falls be subject to joint approval by representatives of Hydro and Hydro-Québec. The head and corporate office for Churchill Falls is located at 500 Columbus Drive, St. John's, Newfoundland and Labrador, A1B 3T5.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Statement of Compliance and Basis of Measurement**

These condensed interim financial statements have been prepared in accordance with *International Accounting Standard 34 – Interim Financial Reporting* and have been prepared using accounting policies consistent with those used in the preparation of the annual audited financial statements for the year ended December 31, 2019.

These condensed interim financial statements do not include all of the disclosures normally found in Churchill Falls' annual audited financial statements and should be read in conjunction with the annual audited financial statements.

These condensed interim financial statements have been prepared on a historical cost basis except for financial assets at fair value through other comprehensive income (FVTOCI) which have been measured at fair value. The condensed interim financial statements are presented in Canadian dollars and all values are rounded to the nearest thousand, except when otherwise noted. The condensed interim financial statements were approved by Churchill Falls' Audit Committee on November 9, 2020.

**3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the condensed interim financial statements in conformity with IFRS requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Significant accounting judgments, estimates and assumptions used in the preparation of the condensed interim financial statements are described in Churchill Falls' annual audited financial statements for the year ended December 31, 2019.

The World Health Organization declared the Coronavirus disease (COVID-19) outbreak a Public Health Emergency of International Concern on January 30, 2020 and a pandemic on March 11, 2020. In order to mitigate the spread of COVID-19 there have been global restrictions on travel, quarantines, self-isolation, social and physical distancing and forced closure of certain types of public places and non-essential businesses. These actions have caused and continue to cause disruption to operations and economic uncertainty.

COVID-19 is an evolving situation that may have widespread implications for Churchill Falls' environment, operations and financial results. For the period ended September 30, 2020, COVID-19 did not have a significant impact on Churchill Falls' results of operations, financial position or cash flow. At this time Management cannot reasonably estimate the duration and magnitude of the COVID-19 impact on the economy and future effect on Churchill Falls.

**CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED**  
**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**

**4. PROPERTY, PLANT AND EQUIPMENT**

<i>(thousands of Canadian dollars)</i>	Hydroelectric Generation Plant	Transmission and Distribution	Service Facilities and Other	Construction in Progress	Total
<b>Cost</b>					
Balance at January 1, 2019	863,395	298,334	231,994	15,258	1,408,981
Additions	(83)	(37)	(2)	65,033	64,911
Decommissioning liabilities and revisions	-	511	-	-	511
Other adjustments	2,851	480	-	-	3,331
Disposals	(2,349)	(1,374)	(1,990)	-	(5,713)
Transfers	25,657	24,622	8,313	(58,592)	-
<b>Balance at December 31, 2019</b>	<b>889,471</b>	<b>322,536</b>	<b>238,315</b>	<b>21,699</b>	<b>1,472,021</b>
<b>Additions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,378</b>	<b>31,378</b>
<b>Disposals</b>	<b>(390)</b>	<b>(43)</b>	<b>(258)</b>	<b>-</b>	<b>(691)</b>
<b>Transfers</b>	<b>(53)</b>	<b>72</b>	<b>765</b>	<b>(784)</b>	<b>-</b>
<b>Balance at September 30, 2020</b>	<b>889,028</b>	<b>322,565</b>	<b>238,822</b>	<b>52,293</b>	<b>1,502,708</b>
<b>Depreciation</b>					
Balance at January 1, 2019	439,417	136,950	101,384	-	677,751
Depreciation	13,358	5,793	9,149	-	28,300
Disposals	(1,998)	(1,134)	(1,692)	-	(4,824)
<b>Balance at December 31, 2019</b>	<b>450,777</b>	<b>141,609</b>	<b>108,841</b>	<b>-</b>	<b>701,227</b>
<b>Depreciation</b>	<b>10,634</b>	<b>4,790</b>	<b>7,247</b>	<b>-</b>	<b>22,671</b>
<b>Disposals</b>	<b>(315)</b>	<b>(37)</b>	<b>(192)</b>	<b>-</b>	<b>(544)</b>
<b>Balance at September 30, 2020</b>	<b>461,096</b>	<b>146,362</b>	<b>115,896</b>	<b>-</b>	<b>723,354</b>
<b>Carrying value</b>					
Balance at January 1, 2019	423,978	161,384	130,610	15,258	731,230
Balance at December 31, 2019	438,694	180,927	129,474	21,699	770,794
<b>Balance at September 30, 2020</b>	<b>427,932</b>	<b>176,203</b>	<b>122,926</b>	<b>52,293</b>	<b>779,354</b>

**5. SHAREHOLDERS' EQUITY**

**Dividends Paid and Proposed**

<i>For the period ended September 30 (thousands of Canadian dollars)</i>	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>2020</b>	2019	<b>2020</b>	2019
Declared during the period				
Final preferred dividend for prior year	-	-	<b>700</b>	608
Interim preferred dividend for current period	<b>1,733</b>	1,713	<b>5,198</b>	5,140
	<b>1,733</b>	1,713	<b>5,898</b>	5,748

During 2020, Churchill Falls did not pay any common dividends (2019 - \$nil).

**CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED**  
**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**

**6. NET FINANCE INCOME**

<i>For the period ended September 30 (thousands of Canadian dollars)</i>	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>2020</b>	2019	<b>2020</b>	2019
Finance income				
Interest on investments	-	70	-	435
Interest on reserve fund	<b>144</b>	59	<b>428</b>	174
Other interest income	<b>271</b>	570	<b>1,029</b>	1,166
	<b>415</b>	699	<b>1,457</b>	1,775
Finance expense				
Accretion of decommissioning liability	<b>8</b>	6	<b>24</b>	17
Other interest expense	<b>9</b>	21	<b>21</b>	30
	<b>17</b>	27	<b>45</b>	47
Net finance income	<b>398</b>	672	<b>1,412</b>	1,728

**7. OPERATING COSTS**

<i>For the period ended September 30 (thousands of Canadian dollars)</i>	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>2020</b>	2019	<b>2020</b>	2019
Salaries and benefits	<b>11,063</b>	10,402	<b>30,169</b>	30,349
Maintenance and materials	<b>3,594</b>	3,492	<b>6,398</b>	8,154
Insurance	<b>1,035</b>	820	<b>2,666</b>	2,393
Professional services	<b>330</b>	549	<b>1,240</b>	1,615
Other operating costs	<b>399</b>	371	<b>2,165</b>	1,887
	<b>16,421</b>	15,634	<b>42,638</b>	44,398

**8. OTHER EXPENSE**

<i>For the period ended September 30 (thousands of Canadian dollars)</i>	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>2020</b>	2019	<b>2020</b>	2019
Rental and royalty	<b>571</b>	782	<b>4,612</b>	4,612
Realized foreign exchange (gain) loss	<b>(5)</b>	(10)	<b>8</b>	(1)
Unrealized foreign exchange loss (gain)	-	3	<b>(2)</b>	(2)
Loss (gain) on disposal of property, plant and equipment	<b>24</b>	(100)	<b>147</b>	14
Other	-	-	<b>3</b>	-
	<b>590</b>	675	<b>4,768</b>	4,623

**9. FINANCIAL INSTRUMENTS**

**Fair Value**

The estimated fair values of financial instruments as at September 30, 2020 and December 31, 2019 are based on relevant market prices and information available at the time. Fair value estimates are based on valuation techniques which are significantly affected by the assumptions used, including the amount and timing of future cash flows and discount rates reflecting various degrees of risk. As such, the fair value estimates below are not necessarily indicative of the amounts that Churchill Falls might receive or incur in actual market transactions.

As a significant number of Churchill Falls' assets and liabilities do not meet the definition of a financial instrument, the fair value estimates below do not reflect the fair value of Churchill Falls as a whole.

Establishing Fair Value

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the nature of the inputs used in making the measurements. The fair value hierarchy has the following levels:



**CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED**  
**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**

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Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. For assets and liabilities that are recognized at fair value on a recurring basis, Churchill Falls determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers between Level 1, 2 and 3 fair value measurement during the period ended September 30, 2020 and year ended December 31, 2019.

As at September 30, 2020 and December 31, 2019, Churchill Falls did not have any Level 3 instruments.

	Level	Carrying Value	Fair Value	Carrying Value	Fair Value
		September 30, 2020		December 31, 2019	
<i>(thousands of Canadian dollars)</i>					
Financial assets					
Reserve fund	2	39,666	39,666	38,061	38,061

The fair values of cash, restricted cash, trade and other receivables, trade and other payables, and rental and royalty payable approximate their carrying values due to their short-term maturity.

The fair values of Level 2 financial instruments are determined using quoted prices in active markets, which in some cases are adjusted for factors specific to the asset or liability. Level 2 fair values of other risk management assets and liabilities are determined using observable inputs other than unadjusted quoted prices, such as interest rate yield curves and currency rates.

**CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED**  
**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**

**10. RELATED PARTY TRANSACTIONS**

Churchill Falls enters into various transactions with its shareholders and other affiliates. These transactions occur within the normal course of operations and are measured at the exchange amount, which is the amount of consideration agreed to by the related parties. Related parties with which Churchill Falls transacts are as follows:

Related Party	Relationship
Hydro	65.8% shareholder of Churchill Falls
Hydro-Québec	34.2% shareholder of Churchill Falls
Nalcor	100% shareholder of Hydro
The Province	100% shareholder of Nalcor
Twin Falls Power Corporation Limited	Jointly controlled by Churchill Falls
Labrador Transmission Corporation	100% owned subsidiary of Nalcor
Muskkrat Falls Corporation	100% owned subsidiary of Nalcor
Labrador-Island Link Limited Partnership	100% owned subsidiary of Nalcor
Nalcor Energy Marketing Corporation	100% owned subsidiary of Nalcor
The Trust	Churchill Falls (Labrador) Corporation Trust was created by the Province with Churchill Falls as the beneficiary

Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms. Outstanding balances due to or from related parties are non-interest bearing with no set terms of repayment, unless otherwise stated.

The amounts included in the financial statements for related party transactions are as follows:

<i>As at (thousands of Canadian dollars)</i>	Related party	<b>September 30</b>		<b>December 31</b>	
		<b>2020</b>		<b>2019</b>	
<b>Trade and other receivables:</b>					
Energy sales	Hydro-Québec	<b>10,406</b>		5,644	
Guaranteed winter availability contract	Hydro-Québec	-		7,532	
Energy sales and other	Hydro	<b>3,610</b>		3,743	
Engineering, technical, management and administrative services	Hydro-Québec	<b>1,635</b>		4,136	
<b>Rental and royalty payable</b>	The Province	<b>4,612</b>		6,883	
		<b>Three months ended</b>		<b>Nine months ended</b>	
<i>For the period ended September 30 (thousands of Canadian dollars)</i>		<b>2020</b>	2019	<b>2020</b>	2019
<b>Energy sales:</b>					
Long-term power contract	Hydro-Québec	<b>14,576</b>	14,605	<b>43,388</b>	43,336
Long-term power contracts	Hydro	<b>11,554</b>	11,891	<b>35,835</b>	35,043
<b>Guaranteed winter availability:</b>					
Guaranteed winter availability contract	Hydro-Québec	-	-	<b>22,981</b>	22,451
<b>Operating (recovery) costs:</b>					
Engineering, technical, management and administrative services	Hydro-Québec	<b>(395)</b>	(4,028)	<b>(1,479)</b>	(5,651)
Rental and royalty expense	The Province	<b>571</b>	782	<b>4,612</b>	4,612
Engineering, technical, management and administrative services	Other	<b>662</b>	966	<b>2,093</b>	2,846

**CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED**  
**NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**

**11. COMMITMENTS AND CONTINGENCIES**

- (a) Outstanding commitments for capital projects total approximately \$43.1 million as at September 30, 2020 (December 31, 2019 - \$29.8 million).
- (b) Churchill Falls is subject to various legal proceedings and claims in the normal course of business. Although the outcome of such actions cannot be predicted with certainty, Management currently believes Churchill Falls' exposure to such claims and litigation, to the extent not covered by insurance policies or otherwise provided for, will not materially affect its financial position.
- (c) On October 5, 2020 the Innu Nation Inc. representing the Innu of Labrador ("Innu") filed a claim against CF(L)Co and Hydro-Quebec in the Supreme Court of Newfoundland and Labrador. The Innu allege that the construction and operations of the Churchill Falls generating station located on the upper Churchill River in Labrador, and associated dykes, reservoirs, dams, transmission lines, and equipment ("Project") have deprived the Innu of their way of life while allowing CF(L)Co and HQ to receive extensive financial benefits. In particular, the Innu are claiming infringement of the Innu's Aboriginal title and rights, trespass, nuisance, breach of the Innu's right to profit-a-prendre (or ability to take resources from the land), and unjust enrichment. The Innu are seeking a repayment of the profits that CF(L)Co and HQ derived from the Project. In the alternative, the Innu seek restitution on the basis of unjust enrichment or compensatory damages for the alleged wrongful conduct in the amount of \$4 billion from HQ and \$150 million from CF(L)Co, the latter being the net amount after applying the indemnity provisions from a previous settlement with Nalcor Energy, related parties and Newfoundland and Labrador. CF(L)Co is currently in the process of filing its defence to the claim.

**12. SUPPLEMENTARY CASH FLOW INFORMATION**

<i>For the period ended September 30 (thousands of Canadian dollars)</i>	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>2020</b>	2019	<b>2020</b>	2019
Trade and other receivables	<b>(4,271)</b>	(7,421)	<b>9,259</b>	5,849
Inventories	<b>153</b>	375	<b>(884)</b>	(410)
Prepayments	<b>(3,230)</b>	(2,409)	<b>(1,560)</b>	(920)
Trade and other payables	<b>12,633</b>	14,370	<b>(3,522)</b>	11,919
Rental and royalty payable	<b>571</b>	781	<b>(2,271)</b>	(2,069)
<b>Change in non-cash working capital balances</b>	<b>5,856</b>	5,696	<b>1,022</b>	14,369
Related to:				
Operating activities	<b>(5,086)</b>	(1,802)	<b>(5,044)</b>	5,026
Investing activities	<b>10,942</b>	7,498	<b>6,066</b>	9,343
	<b>5,856</b>	5,696	<b>1,022</b>	14,369