

GENCAN CAPITAL INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 28, 2018

- AND -

MANAGEMENT INFORMATION CIRCULAR

May 29, 2018

GENCAN CAPITAL INC.

May 29, 2018

Dear Shareholder:

You are invited to attend a special meeting (the “Meeting”) of the holders (the “Gencan Shareholders”) of common shares (the “Gencan Shares”) of Gencan Capital Inc. (“Gencan”) to be held at the Toronto Don Valley Hotel & Suites, 175 Wynford Drive, Toronto, Ontario, M3C 1J3, on June 28, 2018 commencing at 9:00 a.m. (Toronto time).

At the meeting, you will be asked to consider and vote upon the sale (the “Sale”) contemplated by the Purchase and Sale Agreement (the “Purchase and Sale Agreement”) entered into between Gencan and Highroad Estates Inc. (“Highroad”), on May 29, 2018, pursuant to which Gencan’s renewable power solar PV rooftop assets (the “Photovoltaic Plant”), located at 450 Dobbie Drive, Cambridge, Ontario will be sold to Highroad.

In connection with the proposed sale, Corporate Valuation Services Limited (“CVS”), which was engaged by Gencan as an independent valuator, has provided a valuation of the Photovoltaic Plant in accordance with Multilateral Instrument 61-101. The valuation report provides that as at March 31, 2018, the estimate of fair market value of the Photovoltaic Plant is \$2,635,000 and accordingly, the consideration to be paid by Highroad to Gencan for the Photovoltaic Plant is an aggregate of \$2,635,000.

The Closing Date of the Transaction is expected to occur on or about July 4, 2018, following the receipt of approval of the Gencan Shareholders and upon satisfaction of all the conditions in the Purchase and Sale Agreement.

The Board of Directors of Gencan (the “Gencan Board”) is unanimously recommending that the Gencan Shareholders vote FOR the Sale. After taking into consideration the valuation report of CVS, the Gencan Board has unanimously determined that the Sale is in the best interests of Gencan and is fair to the Gencan Shareholders and has approved the Sale and authorized its submission to the Gencan Shareholders.

In order to become effective, the Sale must be approved by resolution passed by at least 66 $\frac{2}{3}$ % of the votes cast by the Gencan Shareholders present in person or by proxy at the Meeting and by a simple majority of the votes cast excluding the votes of Gencan Shares held or controlled by Interested Gencan Shareholders.

The attached Circular contains a detailed description of the Sale and includes certain other information to assist you in considering the matters to be voted upon. You are urged to carefully consider all of the information in the accompanying Circular. If you require assistance, you should consult your financial, legal or other professional advisors.

Your vote is important regardless of the number of Gencan Shares you own.

Voting

If you are not registered as the holder of your Gencan Shares but hold your shares through a broker or other intermediary, you should follow the instructions provided by your broker or other intermediary to vote your Gencan Shares. See the section in the accompanying Circular entitled “*Notice to Beneficial Holders of Securities*” for further information on how to vote your Gencan Shares.

If you are a registered holder of Gencan Shares, we encourage you to vote by completing the enclosed form of proxy. You should specify your choice by marking the box on the enclosed form of proxy and by dating, signing and returning your proxy in the enclosed return envelope addressed to Computershare, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at least forty-eight hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment or postponement thereof. Please do this as soon as possible. Voting by proxy will not prevent you from voting in person if you attend the Meeting and revoke your proxy, but will ensure that your vote will be counted if you are unable to attend.

Sincerely,

Signed “Mark I. Litwin”

Mark I. Litwin
President & Chief Executive Officer

GENCAN CAPITAL INC.
106 Avenue Road, Toronto, Ontario M5R 2H3

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
to be held on Thursday June 28, 2018

TAKE NOTICE that a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares ("**Common Shares**") of Gencan Capital Inc. ("**Gencan**" or the "**Corporation**") will be held at Toronto Don Valley Hotel & Suites, 175 Wynford Drive, Toronto, Ontario, M3C 1J3, on Thursday June 28, 2018 at 9:00 a.m. (EST) for the following purposes:

1. to consider and, if deemed advisable, to pass, with or without variation, a special resolution authorizing and approving the sale of certain assets of Gencan to Highroad Estates Inc. ("**Highroad**"), as more particularly described in the purchase and sale agreement (the "**Purchase and Sale Agreement**") dated May 29, 2018 between Gencan and Highroad, on the terms and conditions set forth in the Purchase and Sale Agreement, which represents the sale of all or substantially all of the assets of Gencan; and
2. to transact such other business as may properly come before the Meeting or any postponement or adjournments thereof.

The notice of meeting (the "**Notice**") and management information circular (the "**Information Circular**"), dated May 29, 2018, in respect of the Meeting, have been posted and are available for review on the Corporation's profile on SEDAR at www.sedar.com.

Shareholders are reminded to review the Information Circular carefully before voting as the Information Circular has been prepared to help you make an informed decision.

Registered Shareholders may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting, or any adjournment or postponement thereof, in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, the form of proxy must be received by Computershare at its offices at 100 University Avenue, 8th Floor, North Tower, Toronto, ON, M5J 2Y1 (according to the instructions on the proxy), not less than forty-eight (48) hours (other than a Saturday, Sunday or holiday) immediately preceding the date of the Meeting (as it may be adjourned or postponed from time to time).

If you are a nonregistered holder of Common Shares and have received these materials through your broker or through another intermediary, please follow the instructions set out in the voting instruction form or other instructions received from the financial intermediary to ensure that your common shares will be voted at the Meeting.

In order to be valid for use at the Meeting, proxies must be received by Computershare by 9:00 a.m. (EST) on June 26, 2018 or, if the Meeting is adjourned or postponed, 48 hours prior to the time to which the Meeting has been adjourned or postponed, excluding Saturdays, Sundays and holidays. The chair of the Meeting may waive or extend the proxy cut-off without notice. Beneficial Shareholders of Gencan who receive these materials through their broker or other intermediary should carefully follow the instructions provided by their broker or intermediary.

DATED at Toronto, Ontario this 29th day of May, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Mark Litwin*"

Mark Litwin
President and Chief Executive Officer

GENCAN CAPITAL INC.

106 Avenue Road, Toronto, Ontario, M5R 2H3

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of Gencan Capital Inc. ("**Gencan**" or the "**Corporation**") for use at the special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") to be held at Don Valley Hotel & Suites, 175 Wynford Drive, Toronto, Ontario, M3C 1J3, on Thursday June 28, 2018 at 9:00 a.m. (EST) and at any postponement or adjournment thereof, for the purposes set forth in the accompanying notice of meeting (the "**Notice**"). It is expected that the solicitation of proxies will be primarily by mail. Proxies may also be solicited personally by directors, officers or employees of Gencan. The cost of solicitation by or on behalf of management will be borne by Gencan. The information contained herein is given as of May 29, 2018, except where otherwise indicated.

The board of directors (the "**Board**") has fixed the record date for the Meeting as at the close of business on May 29, 2018 (the "**Record Date**"). Only Shareholders of record at the Record Date are entitled to receive notice of and to attend and vote at the Meeting or any postponement(s) or adjournment(s) thereof.

The enclosed form of proxy must be executed by the Shareholder or by the Shareholder's attorney duly authorized in writing, or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

The persons named in the enclosed form of proxy are directors and/or officers of Gencan. Each Shareholder submitting a proxy has the right to appoint a person other than the persons designated in the proxy, who need not be a Shareholder, to attend and to act for the Shareholder at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided in the form of proxy.

A registered Shareholder is a shareholder that has a share certificate registered in his, hers or its own name. If you are a registered Shareholder, you can attend the Meeting and vote in person or appoint someone to vote at the Meeting on your behalf in the manner described above.

Registered Shareholders may vote by proxy by delivering the completed form of proxy by postal or other delivery to the Corporation's registrar and transfer agent, Computershare Investor Services Inc. ("**Computershare**"), located at 100 University Ave, 8th Floor, Toronto, Ontario M5J 2Y1, so that it is received no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any postponement(s) or adjournment(s) thereof. Please note that if a Shareholder appoints a proxyholder and submits its voting instructions and subsequently wishes to change its appointment, such Shareholder may resubmit its proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

No person is authorized to give any information or make any representations other than as contained in this Information Circular, and if given or made, such information or representations must not be relied upon as having been authorized to be given or made.

FORWARD LOOKING STATEMENTS

This Information Circular contains "forward-looking information" within the meaning of Canadian securities laws which may include, but is not limited to, statements relating to the possible completion of the Transaction (as hereinafter defined), the value of the Transaction, the expected timing of completing the Transaction, the distribution of proceeds from the Transaction and the fees and expenses associated with the completion of the Transaction.

Such forward-looking information reflects the Corporation's views with respect to future events and is subject to risks, uncertainties and assumptions, including the risk that the conditions to the completion of the Transaction, including the requisite Shareholder approval, will not be satisfied within the time frame anticipated or contemplated by the Purchase and Sale Agreement (as hereinafter defined). Although the Corporation believes the assumptions inherent in forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this Information Circular. The Corporation expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

Any forward-looking information in this Information Circular represents the Corporation's views as of the date of this Information Circular and such information should not be relied upon as representing the Corporation's views as of any date subsequent to the date of this Information Circular. There can be no assurance that any forward-looking information will prove to be accurate, as actual results and future events could differ materially from those expected or estimated in such statements. Accordingly, readers should not place undue reliance on any such forward-looking information.

REVOCABILITY OF PROXY

A registered Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or the Shareholder's attorney duly authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized and deposited at Gencan's registrar and transfer agent, Computershare, located at 100 University Ave, 8th Floor, Toronto, Ontario M5J 2Y1, at any time up to and including the close of business on the last business day preceding the day of the Meeting or any postponement(s) or adjournment(s) thereof, and upon either of such deposits the proxy shall be revoked.

EXERCISE OF DISCRETION BY PROXY

Where the Shareholder specifies a choice with respect to any matter to be acted upon, such Common Shares shall be voted on any ballot in accordance with the specification so made.

In the absence of such specification, the Common Shares will be voted in favour of the matters to be acted upon. The persons appointed under the proxy furnished by Gencan are conferred with discretionary authority with respect to amendments or variations of those matters specified in the proxy and the notice of Meeting. At the time of printing this Information Circular, management of Gencan knows of no such amendment, variation or other matter.

NOTICE TO BENEFICIAL HOLDERS OF SECURITIES

Most shareholders of the Corporation are beneficial shareholders ("**Beneficial Shareholders**") because the Common Shares they beneficially own are not registered in their names but are instead registered in the name of an intermediary such as a brokerage firm, bank, trust corporation, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans through which they purchased the Common Shares (an "**Intermediary**"). A Beneficial Shareholder typically holds their Common Shares either: (a) in the name of the Intermediary that the Beneficial Shareholder deals with in respect of the Common Shares; or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.), of which the Intermediary is a participant.

Beneficial Shareholders who have not objected to their Intermediary disclosing certain beneficial ownership information about themselves to the Corporation are referred to as "NOBOs". Beneficial Shareholders who have objected to their Intermediary disclosing the ownership information about themselves to the Corporation are referred to as "OBOs". National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") permits the Corporation to send the Meeting Materials directly to the NOBOs. In accordance with NI 54-101, the Corporation has elected to send the Information Circular and the form of proxy (collectively, the "**Meeting Materials**") directly to NOBOs and has distributed copies of the Meeting Materials to Intermediaries for distribution to OBOs. The Corporation will pay

for an Intermediary to deliver the Meeting Materials to Beneficial Shareholders who are OBOs, including a voting instruction form (a "**Voting Instruction Form**").

If you are a Beneficial Shareholder and you have not declined to receive the Meeting Materials, then you will receive either a Voting Instruction Form or, less frequently, a partially completed form of proxy. The purpose of these forms is to permit you to direct the voting of the Common Shares that you beneficially own. If you are a Beneficial Shareholder, you should follow the procedures set out below, depending on which type of form you receive.

- (a) Voting Instruction Form - In most cases in lieu of a proxy, you will receive, as part of the Meeting Materials, a Voting Instruction Form. If you do not wish to attend and vote at the Meeting in person (or have another person attend and vote on your behalf), the Voting Instruction Form must be completed, signed and returned in accordance with the directions on the Voting Instruction Form. If you wish to attend and vote at the Meeting in person (or have another person attend and vote on your behalf), then you must complete, sign and return the Voting Instruction Form in accordance with the directions provided and a form of proxy giving the right to attend and vote at the Meeting will be forwarded to you.

or

- (b) Form of Proxy - Less frequently, you will receive, as part of the Meeting Materials, a form of proxy that has already been executed by the Intermediary (typically by a facsimile, stamped signature) and which is restricted as to the number of Common Shares beneficially owned by you, but which is otherwise incomplete. If you do not wish to attend and vote at the Meeting in person (or have another person attend and vote on your behalf), you must complete the form of proxy and deposit it with Computershare, located at 100 University Ave, 8th Floor, Toronto, Ontario M5J 2Y1, as described above. If you wish to attend and vote at the Meeting in person (or have another person attend and vote on your behalf), you must insert your name (or such other person's) name in the blank space provided.

In any case, the purpose of these procedures is to permit Beneficial Shareholders to direct the voting of the Common Shares which they beneficially own. Should a Beneficial Shareholder who receives one of the above forms wish to vote at the Meeting in person, the Beneficial Shareholder should insert the Beneficial Shareholder's name in the blank space provided. **Beneficial Shareholders should follow the instructions on the forms they receive, including those regarding when and where the forms are to be delivered, and contact their Intermediaries promptly if they need assistance.**

BUSINESS OF THE MEETING

Sale of the Photovoltaic Plant

On May 29, 2018, Gencan and Highroad entered into a purchase and sale agreement (the "**Purchase and Sale Agreement**") to provide for, among other things, the sale by Gencan to Highroad of Gencan's renewable power solar PV rooftop assets, including all of the undertaking, assets and property belonging to or used in connection with the renewable power solar PV rooftop assets (the "**Photovoltaic Plant**") (the "**Transaction**"). The Photovoltaic Plant is located on an approximately 120,000 square foot portion of the roof at 450 Dobbie Drive, Cambridge, Ontario pursuant to a lease agreement (the "**Lease Agreement**") with Genterra Capital Inc. ("**Genterra**"), the owner of the leased premises. The Photovoltaic Plant generates solar energy for utility, commercial and residential customers under a 20 year Feed-In Tariff Program Contract with the Ontario Power Authority. The sale of the Photovoltaic Plant represents the sale of all or substantially all of the assets of Gencan.

Genterra and Highroad is each a "related party" of Gencan as defined by Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). A "related party" includes, among other things, a control person of the entity and an affiliate of the control person. Genterra is considered a control person by virtue of its ownership of 12,564,188 Common Shares of Gencan (representing 78.1% of the issued and outstanding Common Shares) and Highroad is an affiliate of Genterra.

The closing date of the Transaction is expected to occur on or about July 4, 2018 (the "**Closing Date**"), following the receipt of approval of the Shareholders, and upon satisfaction of all the conditions in the Purchase and Sale Agreement.

The consideration to be paid by Highroad to Gencan for the Photovoltaic Plant is an aggregate of \$2,635,000 (subject to customary closing adjustments) and consists of: a) a cash payment of \$577,030; and b) an assumption of a loan payable by Gencan to Genterra in the amount of \$2,057,970 (the "**Genterra Loan**").

Background to Sale of the Photovoltaic Plant

The Board and senior management regularly assess Gencan's operating performance and opportunities with a view to providing Shareholders with the opportunity to maximize the value of their Common Shares. This assessment regularly includes discussion and review of Gencan's growth plans, potential acquisitions and dispositions and possible corporate transactions. The Board concluded that in order to increase Shareholder value, it would explore potential change of business opportunities for Gencan. To that end and as a first step in the change of business process, negotiations ensued with certain of the current directors and executive officers of Gencan and Highroad for the sale of the Photovoltaic Plant. The three independent directors of Gencan, namely Mark Dawber, Alan Kornblum and Sol Nayman, considered the Transaction and determined that the consideration to be paid to Gencan for the Photovoltaic Plant was fair based on the Valuation Report (as defined below). No prior or other offers to purchase the Photovoltaic Plant have been received by Gencan.

Independent Valuation Report

Corporate Valuation Services Limited ("**CVS**") was formally engaged by the Board to prepare an independent valuation report dated April 20, 2018 (the "**Valuation Report**"), setting out an estimate of fair market value of the Photovoltaic Plant as at March 31, 2018. In consideration for the services provided by CVS, Gencan has agreed to pay CVS a fee of \$5,000; no contingency fees in connection with the Transaction are payable by Gencan to CVS.

CVS is an independent qualified chartered business valuation company with an office in Toronto, Ontario. The principal valuator, president and sole shareholder of CVS is James P. Catty, who has expertise in consulting on the values of technology-oriented entities and has been determined to be qualified based on the credentials set out in the Valuation Report. CVS has also been determined to be independent as it has no interest in or relationship with Gencan, the parties to the Purchase and Sale Agreement or the Photovoltaic Plant. In June 2015, CVS prepared an estimate of fair market value of all the Common Shares of Gencan as at March 31, 2015.

Summary of Valuation

The Board requested that CVS provide an estimate of the fair market value of the Photovoltaic Plant pursuant to the Transaction. The Valuation Report has been prepared in accordance with the standards of the Canadian Institute of Chartered Business Valuators with the term "fair market value" as defined by MI 61-101: "The monetary consideration, that, in an open and unrestricted market, a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act." For the purposes of determining the estimated fair market value of the Photovoltaic Plant, CVS applied a discounted cash flows methodology.

The Valuation Report provides that as at March 31, 2018, subject to the scope of review, assumptions, qualifications, considerations and limitations set forth therein, the estimate of fair market value of the Photovoltaic Plant is \$2,635,000.

A Summary of the Valuation Report, which sets forth the assumptions made, matters considered and qualifications and limitations on the review undertaken by CVS, is attached to this Information Circular as Appendix "A". The Valuation Report is not a recommendation to Shareholders as to how to vote or act on any matter relating to the Transaction. The Summary of the Valuation Report is qualified in its entirety by the full text of the Valuation Report which may be obtained on request without charge from Gencan at ivy@forumfinancialcorp.com.

Effect of the Sale on the Corporation

Upon the completion of the Transaction, Gencan will no longer have any material assets other than cash proceeds thereof. Following the completion of the Transaction, Gencan expects to have approximately \$800,000 in total cash and \$185,000 in total liabilities. In the event the Transaction is not completed, Gencan will continue to take steps to maximize shareholder value.

The following procedural steps must be taken in order for the Transaction to become effective:

- (a) the Transaction must be approved by: i) 66 2/3% of all Shareholders in one vote; and ii) the majority of disinterested Shareholders in a separate vote pursuant to MI 61-101;
- (b) all conditions precedent to the Transaction as set forth in the Purchase and Sale Agreement must be satisfied or waived by the appropriate party as applicable; and
- (c) all approvals, consents and authorizations of all governmental entities and other regulators as necessary or desirable in connection with the Transaction must be obtained.

The net proceeds of the Transaction, assuming its completion, will be set off against the Genterra Loan which is due on August 1, 2019 and bears interest at 4% per annum. As of the date hereof, Gencan has repaid \$500,000 of the Genterra Loan.

The remainder of the net proceeds after tax will be retained by Gencan to identify and evaluate businesses or assets with a view to completing a change of business. **There can, however, be no assurance that Gencan will be able to identify any such business opportunity or have sufficient capital available for any such investment; nor can there be any assurance that any such business opportunity, if identified, will ultimately be successful.**

The Purchase and Sale Agreement

The Transaction is being effected pursuant to the Purchase and Sale Agreement, which contains covenants, representations and warranties of and from each of the parties and various conditions precedent. The following is a summary only of the Purchase and Sale Agreement and reference should be made to the full text of the Purchase and Sale Agreement which is filed under Gencan's profile on SEDAR at www.sedar.com. Shareholders may also request a copy of the Purchase and Sale Agreement from Gencan at ivy@forumfinancialcorp.com.

Purchase and Sale

Pursuant to the terms and conditions of the Purchase and Sale Agreement, Gencan has agreed to sell the Photovoltaic Plant to Highroad, and Highroad has agreed to purchase the Photovoltaic Plant from Gencan.

Highroad shall not assume or be liable for any of the liabilities, contingent or otherwise, of Gencan existing as at the Closing Date (other than the Genterra Loan), and Gencan agrees to indemnify Highroad from all claims, demands, costs and expenses arising out of any liabilities, indebtedness or obligations of Gencan, contingent or otherwise, existing as at the Closing Date or relating to any matter occurring at any time prior to the Closing Date.

Purchase Price

In accordance with the terms and conditions of the Purchase and Sale Agreement, the purchase price for the Photovoltaic Plant shall be payable as follows: a) the sum of \$577,030.00 shall be paid by Highroad to Gencan on the Closing Date; and b) the balance of the purchase price in the amount of \$2,057,970.00 shall be satisfied by Highroad assuming the Genterra Loan payable to Genterra.

On or prior to the Closing Date, Gencan and Highroad shall jointly elect, pursuant to Section 167 of the *Excise Tax Act* (Canada) (the "ETA") to have the Transaction take place on a tax-free basis under Part IX of the ETA.

Representations, Warranties and Covenants

The Purchase and Sale Agreement contains a number of customary representations and warranties of the parties relating to, among other things, residency for the purposes of the *Income Tax Act*, conduct of business and permits, title to assets, the Lease Agreement being in good standing, and no outstanding obligations to sell the Photovoltaic Plant to another third party.

The Purchase and Sale Agreement contains a number of customary covenants relating to, among other things, conduct relating to the Photovoltaic Plant and Gencan producing a list of all machinery, equipment, supplies, furniture, furnishings and other chattels being purchased, with particulars of serial numbers and full descriptions.

Conditions of Closing

The respective obligations of the parties to the Purchase and Sale Agreement are subject to a number of conditions which must be satisfied in order for the Transaction to become effective. These conditions are described in the Purchase and Sale Agreement and include:

(a) *Conditions in favour of Highroad*

- (i) Gencan shall have delivered a certificate to Highroad confirming that all representations, warranties and covenants made by it is true and correct as at the Closing Date;
- (ii) At the Closing Date, Highroad shall be satisfied that there has not been any material adverse change in the condition (financial or otherwise), asset or liabilities of the Photovoltaic Plant and that the Photovoltaic Plant has been utilized in the ordinary course to the Closing Date; and
- (iii) On or before the Closing Date, Gencan shall have taken or caused to be taken all proper steps and actions to enable it to vest a good and marketable title in Highroad to the Photovoltaic Plant and all assets pertaining thereto, free of all claims, liens, charges or encumbrances whatsoever, and at the Closing Date, Gencan shall deliver to Highroad such deeds of conveyance, bills of sale, assurances, transfers, assignments, and such other documents as counsel for Highroad may reasonably require.

(b) *Conditions in favour of Gencan*

- (i) Highroad shall have delivered a certificate to Gencan confirming that all representations, warranties and covenants made by it is true and correct as at the Closing Date;
- (ii) The Board of Gencan shall have approved the Transaction;
- (iii) The Shareholders of Gencan shall have approved the Transaction at the Meeting; and
- (iv) Highroad shall have complied with its covenants and obligations contemplated by the Purchase and Sale Agreement, including but not limited to, the payment of the cash portion of the purchase price and the assumption of the Genterra Loan. If any of the foregoing conditions shall not be fulfilled at the Closing Date (and shall not have been waived) Gencan may rescind the Purchase and Sale Agreement by notice to Highroad and in such event the parties shall be released from all obligations contemplated by the Purchase and Sale Agreement.

Assignment of Lease Agreement

The Transaction is conditional upon Gencan transferring and assigning all its right, title and interest in and to the Lease Agreement to and in favour of Highroad (or as it may otherwise direct). Genterra shall provide its written consent to the assignment of the Lease Agreement, if required, and shall confirm that the provisions of the Lease Agreement are in good standing on the Closing Date.

Risk of Loss

Up to the Closing Date, all risk of loss or damage by fire or any other cause or hazard to the Photovoltaic Plant shall remain with Gencan, and Gencan shall hold all insurance policies and proceeds in trust for the parties. If the Photovoltaic Plant is destroyed or damaged by fire or any other cause prior to the Closing Date, the replacement value of the assets so destroyed or damaged shall be deducted from the purchase price payable by Highroad, or if such destruction or damage is, in the opinion of Highroad, material, then Highroad may at any time before the Closing Date cancel the Purchase and Sale Agreement.

Risk Factors

Shareholders should carefully consider the risk factors relating to the Transaction listed below and those identified elsewhere in this Information Circular before deciding how to vote or instruct their vote to be cast to approve the Transaction Resolution.

There can be no certainty that all conditions precedent to the Transaction will be satisfied

The completion of the Transaction is subject to a number of conditions precedent, certain of which are outside the control of Gencan. There can be no certainty that these conditions will be satisfied. These conditions include, among other things, obtaining any required approvals and other conditions customary for transactions of this nature. There can be no assurance on the timing or the receipt of such approvals or that such approvals, if any required, will be obtained.

Gencan Expects to Incur Costs Associated with the Transaction

Gencan will incur direct transaction costs in connection with the Transaction. Actual direct transaction costs incurred in connection with the Transaction may be higher than expected. Certain of Gencan's costs related to the Transaction, including legal, financial advisory services, accounting, printing and mailing costs, must be paid even if the Transaction is not completed.

Market Price and Liquidity of Common Shares

The Common Shares have historically been thinly traded. If the Transaction is completed and Gencan ceases to have an operating business, trading volumes may be further reduced and, accordingly, it may be difficult for Shareholders to liquidate their investments in Gencan.

Dissent Rights

Pursuant to the *Business Corporations Act (Ontario)* (the "OBCA"), registered Shareholders have the right to dissent with respect to the Transaction Resolution by sending a written objection to such resolution to the registered office of Gencan at or before the Meeting.

Each Shareholder who properly dissents will be entitled to be paid the fair value of the Common Shares in respect of which such holder dissents in accordance with Section 185 of the OBCA, which is attached in its entirety to this Information Circular as Appendix "B". **Any Shareholder who has voted in favour of the Transaction Resolution, in person or by proxy, shall not be accorded the right to dissent.**

The statutory provisions covering the right to dissent are technical and complex. **Failure to strictly comply with the requirements set forth in Section 185 of the OBCA may result in the loss of any right to dissent.** A dissenting Shareholder may dissent only with respect to all of the Common Shares held by such dissenting Shareholder, or on behalf of any one Beneficial Shareholder and registered in the dissenting Shareholder's name. Only registered Shareholders may dissent. Beneficial Shareholders who wish to dissent should be aware that they may only do so through the registered owner of such Common Shares. Accordingly, a Beneficial Shareholder who desires to exercise the right of dissent must make arrangements for the Common Shares beneficially owned by such holder to be registered in the holder's name prior to the time the written objection to the Transaction Resolution is required to be sent to Gencan or, alternatively, make arrangements for the registered holder of such Common Shares to dissent on the holder's behalf.

It is strongly suggested that any Shareholders wishing to dissent seek independent legal advice well in advance of the Meeting, as the failure to strictly comply with the provisions of the OBCA may prejudice such Shareholder's right to dissent.

Approval of the Transaction Resolution

Pursuant to Section 184 of the OBCA, a disposition of all or substantially all of a corporation's assets, other than in the ordinary course of business, requires the approval of its shareholders by way of a special resolution. As the sale of the Photovoltaic Plant will constitute all or substantially all of Gencan's business for the purposes of the OBCA, the Transaction must be approved by a special resolution of the Shareholders. A special resolution approving the Transaction, substantially in the form set forth below (the "**Transaction Resolution**"), will be presented at the Meeting. To be approved, the Transaction Resolution must be approved by not less than 66 2/3% of the votes cast in respect thereof, in person or by proxy, at the Meeting.

In addition, as the Transaction constitutes a "related party transaction" as defined by MI 61-101 by virtue of the relationship between Gencan and Highroad, the Transaction Resolution must be approved in a separate vote by a majority of the votes cast by disinterested minority shareholders of Gencan (a "**Majority of the Minority Vote**"). In determining the Majority of the Minority Vote, Gencan will exclude the votes attached to Common Shares that, to the knowledge of Gencan or any interested party of Gencan or their respective directors or senior officers, after reasonable inquiry, are beneficially owned or over which control or direction is exercised by (i) Gencan; (ii) "interested parties" to the Transaction; (iii) the "related parties" of such interested parties and (iv) the "joint actors" of such interested parties and related parties (all as defined in MI 61-101). Such persons and their respective holdings of Common Shares are set out as follows:

Name of Shareholder	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly
Genterra Capital Inc.	12,564,188
Forum Financial Corporation	1,301,622

Unless otherwise directed, the Common Shares represented by the enclosed proxy will be voted FOR the Transaction Resolution.

The following is the text of the Transaction Resolution which will be put forward to Shareholders for approval at the Meeting:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

2. The entering into by Gencan Inc. ("**Gencan**") of a Purchase and Sale Agreement between Gencan and Highroad Estates Inc. ("**Highroad**") dated May 29, 2018 has been filed on Gencan's profile on SEDAR at www.sedar.com, as it may be modified or amended from time to time (the "**Purchase and Sale**");

Agreement"), the actions of the directors of Gencan in approving the Purchase and Sale Agreement and the actions of the directors and officers of Gencan in executing and delivering the Purchase and Sale Agreement and causing the performance by Gencan of its obligations thereunder are hereby confirmed, ratified, authorized and approved;

3. the sale by Gencan to Highroad of all of the Assets (as defined in the Purchase and Sale Agreement) is hereby approved pursuant to Section 184 of the *Business Corporations Act* (Ontario) and Gencan is hereby authorized to consummate such sale;
4. notwithstanding that this resolution has been passed by shareholders of Gencan, the directors of Gencan are hereby authorized and empowered without further approval of any shareholder of Gencan (a) to amend the Purchase and Sale Agreement to the extent permitted by the Purchase and Sale Agreement and (b) subject to the terms of the Purchase and Sale Agreement, not to proceed with the sale of the Assets; and
5. any one director or officer of Gencan is hereby authorized, empowered and instructed, acting for, in the name and on behalf of Gencan, to execute or cause to be executed, under the seal of Gencan or otherwise, and to deliver or cause to be delivered, all such other documents (including the execution and delivery of articles of amendment in prescribed form) and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing."

Recommendation of the Board

The Board received the Valuation Report and unanimously (a) determined that the Transaction is in the best interests of Gencan and (b) approved the Transaction and the execution and performance of the Purchase and Sale Agreement.

The Board also unanimously resolved to recommend to Shareholders that they vote their Common Shares FOR the Transaction Resolution.

Unless a Shareholder has instructed in the enclosed proxy that the Common Shares represented by such proxy are to be voted against the Transaction Resolution, the persons named in the accompanying proxy will vote FOR the Transaction Resolution.

Other Business

As of the date of this Information Circular, management of Gencan knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the proxy.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Each Common Share entitles the holder of such Common Share to one (1) vote on all matters coming before the Meeting. Only Shareholders of record as of the close of business on the Record Date are entitled to receive notice of the Meeting. The holders of a majority of Common Shares entitled to vote at a meeting of Shareholders, whether present in person or represented by proxy, constitute a quorum for the transaction of business at any meeting of Shareholders. As of the close of business on May 29, 2018, there were 16,092,284 Common Shares issued and outstanding.

To the best of the knowledge of the directors and senior officers of Gencan, no person or company beneficially owns, directly or indirectly, or exercises control or direction over securities carrying more than 10% of the voting rights attached to any class of outstanding voting securities of the Corporation entitled to be voted at the Meeting other than Fred A. Litwin, the Chairman of the Board, who directly and indirectly controls 13,865,810 Common Shares (86.2%). The Common Shares controlled by Fred A. Litwin are comprised of the following:

- (a) 12,564,188 Common Shares (78.1%) beneficially owned by Genterra, which corporation is indirectly controlled by Fred A. Litwin; and
- (b) 1,301,622 Common Shares (8.1%) beneficially owned by Forum Financial Corporation, which corporation is directly controlled by Fred A. Litwin.

As of May 29, 2018, the directors and officers of Gencan as a group owned beneficially, directly and indirectly, 13,865,810 Common Shares, representing 86.2% of the presently issued and outstanding Common Shares.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Gencan has leased the roof of the premises on which the Photovoltaic Plant is located from Genterra for \$52,813 per annum. The term of such lease ends in August 2034.

Gencan has a loan payable to Genterra of \$2,057,970 which is due on August 1, 2019 and bears interest at 4% per annum.

During the financial year ended September 30, 2017, Genterra provided administrative services to Gencan for fees of \$6,000. Fred A. Litwin, Stan Abramowitz and Mark I. Litwin are directors and/or officers of Genterra and Gencan.

During the year ended September 30, 2017, Highroad provided management services to the Photovoltaic Plant for fees of \$60,000. Mark I. Litwin and Stan Abramowitz are directors and/or officers of Highroad and Gencan.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed herein, the directors and officers of Gencan are not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director, senior officer, anyone who has held office as such at any time since the beginning of the last financial year, proposed nominee for election as a director of Gencan, or their respective associates or affiliates, in any matter to be acted on at the Meeting.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, officer, employee or former director, officer or employee of Gencan, or any associate of any such director, officer or employee is, or has been, at any time since the beginning of the most recently completed financial year of Gencan, indebted to the Corporation or has indebtedness to another entity that is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Gencan.

AUDITOR

The auditor of Gencan is BDO Canada LLP, Chartered Professional Accountants, which has been Gencan's auditor since 2015.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Securityholders may request copies of the Corporation's financial statements and related management's discussion and analysis by emailing their requests to ivy@forumfinancialcorp.com. Financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for the fiscal year ended September 30, 2017 and subsequent interim periods, which are filed on SEDAR.

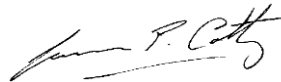
CONSENT OF THE VALUATOR

We have read the notice of meeting and management information circular (the "**Circular**") of Gencan Capital Inc. (the "**Corporation**") dated May 29, 2018 relating to the special meeting of shareholders of the Corporation to approve the sale of all or substantially all of the assets of the Corporation. We consent to the inclusion in the Circular of a summary of our valuation report dated April 20, 2018 and references to our firm name.

Toronto, Ontario

May 29, 2018

CORPORATE VALUATION SERVICES LIMITED



Per: _____

James P. Catty
President

I have authority to bind the Corporation



APPENDIX "A"

20 April 2018

The Board of Directors
Gencan Capital Inc.
106 Avenue Road
Toronto ON M5R 2H3

Gentlemen,

We are pleased to supply a summary of our Valuation Report setting out our Estimate of Fair Market Value as at 31 March 2018 (the "Valuation Date") of the Photovoltaic Plant of Gencan Capital Inc. ("GCC" or the "Company") at TWO MILLION SIX HUNDRED AND THIRTY-FIVE THOUSAND DOLLARS (\$2,635,000). After factoring in this value for the Photovoltaic Plant and considering taxes as well as the Company's other assets and liabilities, this is equivalent to a net amount of \$0.042 for each of the 16,092,284 common shares of the Company.

Engagement

In March 2018 the "Company", a publicly-traded 78% subsidiary of Genterra Capital Inc. ("Genterra"), engaged Corporate Valuation Services Limited ("CVS") to prepare the Valuation Report of which this is a summary. In June 2015, when it was wholly-owned by Genterra, CVS prepared an Estimate of Fair Market Value of all the shares of the Company as at March 31, 2015.

The Valuation Report, dated 20 April 2018, has been prepared in accordance with the standards of the Canadian Institute of Chartered Business Valuators, with the term Fair Market Value as defined by Multilateral Instrument 61-101 of the Ontario and Quebec Securities Commissions:

"The monetary consideration, that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act."

This is a notional amount which we consider would apply based on rates of return required by investors at the Valuation Date and without considering possible purchaser-specific synergies. Little consideration has been attributed to the residual value that the Photovoltaic Plant will have after the expiration of its current power supply contract.

Background

Before 2000, the main applications of solar energy in Canada were non-electric systems for space or water heating and drying crops & lumber. By 2001, there were more than 12,000 residential solar water heating systems and 300 commercial/industrial solar hot water systems installed. Currently, those systems comprise only a small fraction of Canada's energy use. The main source of solar power in Canada is silicon-based photovoltaic (PV) cells which are about 25% efficient and have steadily declining unit costs. They are frequently used as standalone units for off-grid distributed electricity, powering remote homes, telecommunications equipment, oil & pipeline monitoring stations and navigational devices as well as in industrial-sized plants.

Northern communities, many of which depend almost completely on high-cost diesel generators, have become an important market for PV cells. Since the 1970s, the Federal government has encouraged the development of solar technologies for them. Efforts have focused on hybrid systems that provide power 24 hours a day, combining solar units with diesel and other sources.

Since its launch in 2009 under Ontario's Green Energy and Green Economy Act, a Feed-In-Tariff (FIT) program has made that province a national leader in solar energy. Because of this, first of its kind program in North America, solar power is hoped to supply up to 2% of Ontario's needs by 2025, compared with 60% for nuclear and 23% from hydro. To help achieve this, \$2.3 billion was invested between 2014 and 2016 in the expansion and renewal of Ontario electrical transmission infrastructure.

In October 2010, through the FIT program, Ontario temporarily housed the largest solar farm in the world, Enbridge's 97 megawatt, Sarnia Photovoltaic Power Plant, which can serve more than 12,000 homes. Since then it has been surpassed by larger installations in China, India and the United States.

The Ontario Green Power program was successful in obtaining applications for so many new installations that the FIT rates had to be reduced several times. By the 7 August 2012 cut-off date, a total of 11,521 applications have been received covering 5,520 MW; this is 12 times the actual amount installed in 2013.

FIT Rates for Contracts Signed			
From	To		\$
September 24, 2009	April 5, 2012		0.635
April 5, 2012	August 26, 2013		0.539
August 26, 2013	September 30, 2014		0.329
September 30, 2014	December 31, 2015		0.316
January 1, 2016	December 31, 2016		0.225
January 1, 2017	Current		0.207

The following table shows the impact the expansion of solar power in Ontario has had on the growth of the industry in the Canada since 2000 to 2017.

Growth of Solar Power in Canada				
Year Added	Supply MW	Growth MW	FIT Growth	FIT \$/kWh
2000	1.4	7.2	24.1%	
2001	1.6	8.8	22.2%	
2002	1.2	10.0	13.6%	
2003	1.8	11.8	18.0%	
2004	2.1	13.9	17.8%	
2005	2.9	16.8	20.9%	
2006	3.8	20.6	22.6%	
2007	5.3	25.9	25.7%	
2008	6.9	32.8	26.6%	
2009	61.9	94.7	188.7%	0.757
2010	186.4	281.1	196.8%	0.635
2011	297.0	578.1	105.7%	0.635
2012	268.0	846.1	46.4%	0.564
2013	444.5	1,290.6	52.5%	0.466
2014	552.6	1,843.2	42.8%	0.326
2015	674.0	2,517.2	36.6%	0.316
2016	145.0	2,662.2	5.8%	0.225
2017	80.0	2,742.2	3.0%	0.207

Source: Wikipedia

In spite of this rapid growth, solar supplies an infinitesimal portion of Ontario's power according to the latest available figures.

Sources of Ontario Electricity							
	7 March 2018		Capacity 2017		Usage	Output 2017	
	MW	%	MW	%	%	TWh	%
Biofuel	191	1.1%	495	1.3%	38.6%	0.5	0.3%
Gas	904	5.2%	10,277	27.9%	8.8%	5.9	4.1%
Hydro	4,394	25.0%	8,480	23.0%	51.8%	37.7	26.1%
Nuclear	10,596	60.4%	13,009	35.3%	81.5%	90.6	62.7%
Solar	125	0.7%	380	1.0%	32.9%	0.5	0.3%
Wind	<u>1,337</u>	7.6%	<u>4,213</u>	11.4%	31.7%	<u>9.2</u>	6.4%
	<u>17,547</u>	100.0%	<u>36,854</u>	100.0%	47.6%	<u>144.4</u>	100.0%

Source: Wikipedia

Due to solar, as it is being developed in Ontario, being a relatively high cost source of carbonless energy, few future installations are expected to be built.

The Installation

GCC's installation is located at 450 Dobbie Drive, Cambridge, Ontario, on the roof of a building owned by Genterra; the rent is \$52,813 a year. It was engineered and built by Endura Energy Project Corp. ("Endura") under an agreement dated 4 September 2013, using 2,795 CS6P modules of 260W each, from Canadian Solar Inc., that produce a total of 726.7KW of DC power. They have an area of 48,390 square feet with a tilt of 20 degrees, the maximum available on a flat roof and are inclined 15 degrees east of south.

The electrical system is an Advanced Energy 500TX DC to three-phase AC inverter supplying a Moloney Electric Inc. 500KVA three-phase 27.6V/600V transformer. The total installation cost was \$2,094,832 for the solar module structure and permits with an additional \$124,300 for the electrical system. The total cost of \$2,219,132 was amortized down to \$1,825,680 at the Valuation Date; everything is insured for \$2,940,000.

As sunlight and snowfall vary +/- 15% between years, most installations assume normalized output numbers over the 20-year term of the contract. Production started 18 August 2014 with revenues of \$41,143 for the stub period to the Company's year-end 30 September 2014. For the following fiscal years to September 30, output has been as follows:

Output of Company's PV Plant in kWh

Year to 30 September	2015		2016		2017	
October-December	99,920	12.7%	19,051	14.6%	115,451	15.3%
January-March	100,886	12.8%	58,824	14.0%	120,843	16.0%
April-June	291,234	36.9%	118,967	35.5%	280,356	37.2%
July-September	<u>297,097</u>	37.6%	<u>88,611</u>	35.9%	<u>237,803</u>	31.5%
	<u>789,137</u>	100.0%	<u>864,775</u>	100.0%	<u>754,453</u>	100.0%

There was a 53,000 kW loss in September 2017 due to now repaired problems

Based on the results of the six months to the Valuation Date (225,009 kWh), CVS has used an output of 794,309 kWh for the first projected year (ending September 2018) a 6.3% increase from fiscal 2017; thereafter a 0.7% annual decline is assumed.

GCC's power is delivered to Energy+ Inc., under a FIT contract dated 9 June 2011 at \$0.635 per kWh, with the Ontario Power Authority ("OPA"). Production will be sold at that price until the expiry of an extension contract on 17 August 2034.

With proper preventive maintenance which is being undertaken, we are informed the plant should last longer than the 20 years of the contract. At its end, the installation will still be generating power, but it is impossible to establish at what price it may be sold. Therefore, a residual value of only 5% of cost has been assumed.

Financial Position

At the Valuation Date, according to its preliminary financial statements, the Company held \$188,364 of cash and had paid off \$500,000 of its original \$2,557,970 loan at 4% from Genterra, while writing down its plant from an original cost of \$2,219,132 to \$1,825,680 (\$213,743 for tax purposes). However, as a result of public company costs and seasonal losses, over its life GCC has effectively only broken even, as the book value of the Shareholders Equity was only \$221 at the Valuation Date; restating the Photovoltaic Plant to its Fair Market Value of \$2,635,000 increases the Net Worth to \$669,631.

Balance Sheets March 31, 2018	Preliminary	FMV
ASSETS		
<i>Current</i>		
Cash	188,364	188,364
Receivables	69,707	69,707
Prepays & Deposits	<u>20,016</u>	<u>20,016</u>
Total Current	278,087	278,087
<i>Capital</i>		
Photovoltaic Plant	<u>1,825,680</u>	<u>2,635,000</u>
	<u>2,103,767</u>	<u>2,913,087</u>
LIABILITIES		
<i>Current</i>		
Payables & Accruals	<u>18,841</u>	<u>18,841</u>
<i>Term</i>		
Deferred Rent	26,472	-
Loan by Parent	2,057,970	2,057,970
Future Income Taxes	<u>263</u>	<u>166,645</u>
	<u>2,084,705</u>	<u>2,224,615</u>
Total Liabilities	<u>2,103,546</u>	<u>2,243,456</u>
EQUITY		
Share Capital	10	10
Retained Earnings	<u>211</u>	<u>669,621</u>
Total Equity	<u>221</u>	<u>669,631</u>
	<u>2,103,767</u>	<u>2,913,087</u>
Shares Outstanding	16,092,284	16,092,284
Equity per Share	\$ 0.0000	\$ 0.0416

Financial Projections

As the power produced by the Photovoltaic Plant is sold under a long-term FIT contract, CVS has selected a Discounted Cash Flows method to value it using financial projections based on a set prepared for tax purposes by management. The assumptions adopted in them, set out below, are considered reasonable in the circumstances.

Key Assumptions

Solar Installation Costs

Equipment	\$2,043,388
Transformer	124,300
Permits	51,444
Total 2014	<u>\$2,219,132</u>

Estimated Production and Revenue

Max k Wp “kilowatt peak” = array size x kW max per hour	726.7
Average annual production (hours) per year per kWp in kWh	1.140
Annual starting production (kWh)	800,000
FIT Rate per kWh	0.635
kWh annual degradation	0.7%
Annual LDC service cost (local utility)	\$2,000

Estimated Expenses

Maintenance costs	\$30,600
Inverter replacement year 12	\$60,000
Insurance cost	\$15,476
Management fees	\$66,250
Roof rental (Genterra)	\$52,813
Expense inflation factor	1.5%
Tax Depreciation Rate (1/2-year rule, declining balance)	50%
Income tax rate (once loss carry-forwards utilized)	26.5%
HST	Ignored
Accounts receivable	45 days
Accounts payable	nominal

Discount Rate

In determining a discount rate for a privately-owned entity, the preferred technique is to use the Weighted Average Cost of Capital (“WACC”), this considers the after-tax costs of debt and equity and reflects their relative contributions to the firm’s funding. It is usually calculated by using a build-up method for the entity’s equity and the terms of the existing debt.

However, for the Company, there is a market-based source. In December 2017, Grant Thornton, the international accounting firm, issued “Renewable energy discount rate survey rate results – 2017” which establishes the implicit discount rates involved in US\$200 million of renewable energy M&A transactions. It covers 10 markets (Australia, Canada, France, Germany, Ireland, Italy, Nordics, Spain, UK and USA) and four power sources – hydro, ground-mounted solar PV, on-shore wind and off-shore wind.

As it is market-survey driven, we chose the Grant Thornton publication as the source of our discount rate. It reported that in Canada 6.25% is the indicated discount rate for “Ground mounted solar PV” and accordingly is the rate which we have used in preparing our Estimate of Fair Market Value.

Conclusion

At the selected discount rate of 6.25%, the present value of the cash flows from the Photovoltaic Plant, for the 16.375 years of the FIT contract remaining from the Valuation Date, is \$2,598,098 after deducting the actual cash flow for the first half of fiscal 2018; taking into account the present value of the residual assets (\$37,853) increases it to \$2,636,523. Rounded to \$2,635,000 this is our Estimate of the Fair Market Value of the Photovoltaic Plant.

Discounted Cash Flows Value 31 March 2018

Discount Rate	6.25%
	\$
Present Values Cash Flows 2018-2034	2,682,833
Cash Flow 2018 Q1 & Q2	<u>(84,734)</u>
	2,598,098
Terminal Amount - PV Residual Assets	<u>38,424</u>
DCF Value	<u>2,636,523</u>
Rounded	<u><u>2,635,000</u></u>

As shown on Page 5, restating the Photovoltaic Plant to this Fair Market Value and considering all the other assets and liabilities of GCC, including taxes on the notional sale of the Photovoltaic Plant, the Shareholders’ Equity becomes \$669,631, equivalent to \$0.042 for each of the 16,092,284 outstanding common shares of the Company.

Should you require additional information about our conclusions, or have any questions or comments relating to this Valuation Report, please do not hesitate to get in touch with us at your convenience.

Yours very truly,

Corporate Valuation Services Limited

Per

A handwritten signature in black ink, appearing to read "James P. Catty". The signature is fluid and cursive, with a prominent loop at the end.

James P. Catty, MA, ICVS, CPA•CA (Canada), CBV, CPA/ABV (US), CFA, CGMA, CFE
President

APPENDIX "B"

DISSENT RIGHTS

SECTION 185 OF BUSINESS CORPORATIONS ACT (ONTARIO)

Rights of dissenting shareholders

185 (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

- (a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
- (b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (c) amalgamate with another corporation under sections 175 and 176;
- (d) be continued under the laws of another jurisdiction under section 181; or

[Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 185 (1) of the Act is amended by striking out "or" at the end of clause (d) and by adding the following clauses: (See: 2017, c. 20, Sched. 6, s. 24)

(d.1) be continued under the *Co-operative Corporations Act* under section 181.1;

(d.2) be continued under the *Not-for-Profit Corporations Act, 2010* under section 181.2; or]

- (e) sell, lease or exchange all or substantially all its property under subsection 184 (3),

a holder of shares of any class or series entitled to vote on the resolution may dissent. R.S.O. 1990, c. B.16, s. 185 (1).

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

- (a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
- (b) subsection 170 (5) or (6). R.S.O. 1990, c. B.16, s. 185 (2).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares. 2006, c. 34, Sched. B, s. 35.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

- (a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or
- (b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986. R.S.O. 1990, c. B.16, s. 185 (3).

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted. R.S.O. 1990, c. B.16, s. 185 (4).

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (5).

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent. R.S.O. 1990, c. B.16, s. 185 (6).

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6). R.S.O. 1990, c. B.16, s. 185 (7).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection. R.S.O. 1990, c. B.16, s. 185 (8).

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights. R.S.O. 1990, c. B.16, s. 185 (9).

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares. R.S.O. 1990, c. B.16, s. 185 (10).

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent. R.S.O. 1990, c. B.16, s. 185 (11); 2011, c. 1, Sched. 2, s. 1 (9).

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section. R.S.O. 1990, c. B.16, s. 185 (12).

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (13).

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

- (a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);
- (b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or
- (c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10). R.S.O. 1990, c. B.16, s. 185 (14); 2011, c. 1, Sched. 2, s. 1 (10).

Same

(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),

- (a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or

- (b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,
 - (i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and
 - (ii) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Same

- (14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,
- (a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and
 - (b) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Offer to pay

- (15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,
- (a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or
 - (b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (15).

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms. R.S.O. 1990, c. B.16, s. 185 (16).

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made. R.S.O. 1990, c. B.16, s. 185 (17).

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (18).

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow. R.S.O. 1990, c. B.16, s. 185 (19).

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19). R.S.O. 1990, c. B.16, s. 185 (20).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders. R.S.O. 1990, c. B.16, s. 185 (21).

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to the corporation the notice referred to in subsection (10); and

(b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made,

of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions. R.S.O. 1990, c. B.16, s. 185 (22).

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application. R.S.O. 1990, c. B.16, s. 185 (23).

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (24).

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (25).

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b). R.S.O. 1990, c. B.16, s. 185 (26).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment. R.S.O. 1990, c. B.16, s. 185 (27).

Where corporation unable to pay

(28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (28).

Idem

(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

- (a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or
- (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders. R.S.O. 1990, c. B.16, s. 185 (29).

Idem

(30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
- (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities. R.S.O. 1990, c. B.16, s. 185 (30).

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission. 1994, c. 27, s. 71 (24).