FORM 5

QUARTERLY LISTING STATEMENT

For Quarter Ended December 31, 2017

Name of Listed Issuer: GENCAN CAPITAL INC. (the "Issuer")

Trading Symbol: GCA

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

The Issuer's financial statements for the quarter ended December 31, 2017 are attached to this Quarterly Listing Statement.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

Related party transactions are disclosed in Note 5 of the Issuer's financial statements for the quarter ended December 31, 2017 which are attached to this Quarterly Listing Statement.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

No securities were issued by the Issuer during the period since the date of the last Listing Statement.

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid

(b) summary of options granted during the period,

No options were issued by the Issuer during the period since the date of the last Listing Statement.

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

(b) number and recorded value for shares issued and outstanding,

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

A	***B***		***C***	***D***
	#	***$***		
Common – Unlimited	***16,092,284***	***$10***	***None***	***None***

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Fred Litwin – Director
Mark Litwin – President and CEO
Stan Abramowitz – Director, Secretary and CFO
Mark Dawber – Director
Sol Nayman – Director
Alan Kornblum - Director

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

The Issuer's MD&A for the quarter ended December 31, 2017 is attached to this Quarterly Listing Statement.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated: February 12, 2018.

Stan Abramowitz
Name of Director or Senior Officer

Signed "Stan Abramowitz"
Signature

CFO
Official Capacity

Issuer Details Name of Issuer: Gencan Capital Inc.	For Quarter Ended: December 31, 2017	Date of Report YY/MM/DD: 18/02/12
Issuer Address: 106 Avenue Road		
City/Province/Postal Code: Toronto, ON M5R 2H3	Issuer Fax No.: (416) 920-7851	Issuer Telephone No.: (416) 920-0500
Contact Name: Stan Abramowitz	Contact Position: CFO	Contact Telephone No.: (416) 920-0500
Contact Email Address: stan@forumfinancialcorp.com	Web Site Address: None	

GENCAN CAPITAL INC.

Condensed Interim Financial Statements

Three Months Ended December 31, 2017 and 2016

(Unaudited)

(Expressed in Canadian Dollars)

Notice of no auditor review

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements; they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim financial statements (in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor).

Gencan Capital Inc.

Condensed Interim Statements of Financial Position
As at December 31, 2017 and September 30, 2017
(Unaudited)

	December 31 2017	September 30 2017
Assets		
Current assets		
Cash	$ 271,925	$ 247,146
Accounts receivable	32,202	95,926
Prepaid expenses and deposits	26,336	22,613
	330,463	365,685
Equipment	1,852,848	1,880,016
Total assets	$ 2,183,311	$ 2,245,701
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	$ 43,222	$ 56,996
Deferred rent	26,876	27,279
Loan payable	2,057,970	2,057,970
Deferred income taxes	14,774	27,550
	2,142,842	2,169,795
Shareholders' Equity		
Capital stock	10	10
Retained earnings	40,459	75,896
Total shareholders' equity	40,469	75,906
Total liabilities and shareholders' equity	$ 2,183,311	$ 2,245,701

See accompanying notes to the condensed interim financial statements

Gencan Capital Inc.

Condensed Interim Statements of Loss and Comprehensive Loss
For the three months ended December 31, 2017 and 2016
(Unaudited)

	2017	2016
Revenue		
Solar energy generation	$ 66,842	$ 72,578
Expenses		
Operating costs	23,476	20,479
Administrative and general	43,662	42,098
Interest	20,749	25,790
Amortization	27,168	27,168
	115,055	115,535
Loss before income taxes	(48,213)	(42,957)
Income taxes (recovery)		
Deferred	(12,776)	(11,383)
Loss for the period, also being comprehensive loss	$ (35,437)	$ (31,574)
Loss per share		
Basic and diluted	$ (0.00)	$ (0.00)
Weighted average number of common shares		
Basic and diluted	16,092,284	16,092,284

See accompanying notes to the condensed interim financial statements

Gencan Capital Inc.

Condensed Interim Statements of Changes in Equity
For the three months ended December 31, 2017 and 2016
(Unaudited)

	Capital Stock			
	Common shares			
	Number of shares	Amount	Retained Earnings	Total Equity
Balance at September 30, 2016	16,092,284	$ 10	$ 84,996	$ 85,006
Net loss	-	-	(31,574)	(31,574)
Balance at December 31, 2016	16,092,284	$ 10	$ 53,422	$ 53,432
Balance at September 30, 2017	16,092,284	$ 10	$ 75,896	$ 75,906
Net loss	-	-	(35,437)	(35,437)
Balance at December 31, 2017	16,092,284	$ 10	$ 40,459	$ 40,469

Gencan Capital Inc.

Condensed Interim Statements of Cash Flows
For the three months ended December 31, 2017 and 2016
(Unaudited)

	2017	2016
Operating activities		
Net loss	$ (35,437)	$ (31,574)
Adjustments to reconcile net loss to net cash flows:		
Amortization	27,168	27,168
Deferred income taxes	(12,776)	(11,383)
Deferred rent	(403)	(403)
Interest expense	20,749	25,790
	(699)	9,598
Changes in non-cash components of working capital:		
Accounts receivable	63,724	96,460
Prepaid expenses and deposits	(3,723)	(6,471)
Accounts payable and accrued liabilities	(13,774)	16,832
Net cash flows from operating activities	45,528	116,419
Financing activities		
Interest paid	(20,749)	(25,790)
Net cash flows used in financing activities	(20,749)	(25,790)
Net increase in cash	24,779	90,629
Cash, beginning of period	247,146	613,063
Cash, end of period	$ 271,925	$ 703,692

1. NATURE OF OPERATIONS

Nature of operations

Gencan Capital Inc. ("the Company") is a Canadian company and the holder of a Solar Energy Feed-In Tariff Program Contract with an interest in solar energy generation equipment located in Ontario, Canada. The Company was incorporated on October 31, 2013 and has its registered office address at 106 Avenue Road, Toronto, Ontario, M5R 2H3.

On October 30, 2015, pursuant to a Plan of Arrangement between the Company and Genterra Capital Inc. ("GCI"), the Company was spun-off as a public company and its shares were listed on the Canadian Securities Exchange under the symbol "GCA". GCI currently retains a 78% controlling interest in the Company.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's annual audited financial statements for the fiscal year ended September 30, 2017, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB.

These condensed interim financial statements were authorized for issue by the Board of Directors on February 9, 2018.

The policies applied in these condensed interim financial statements are based on IFRS issued and outstanding as of the date of authorization.

(b) Basis of preparation

These condensed interim financial statements are presented in Canadian dollars. The financial statements are prepared on the historical cost basis.

These condensed interim financial statements follow the same significant accounting policies and critical judgments in the application of those policies as described in the Company's audited financial statements for the fiscal year ended September 30, 2017 and have been applied consistently in the preparation of these condensed interim financial statements.

New Accounting Standards Not Yet Effective

IFRS 9, *Financial Instruments: Classification and Measurement*, introduces new requirements for the classification and measurement of financial instruments, a single forward-looking expected loss impairment model and a substantially reformed approach to hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. Management is currently assessing the potential impact of the adoption of IFRS 9.

IFRS 15, *Revenue Recognition*, provides a single, comprehensive revenue recognition model for all contracts with customers. It contains a single principles based five step approach that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It also contains new disclosure requirements. IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. Management is currently assessing the potential impact of the adoption of IFRS 15.

IFRS 16, *Leases*, introduces a new standard replacing IAS 17 Leases, that results in bringing many leases on balance sheet that are considered operating leases under IAS 17. Lessor accounting remains largely unchanged. IFRS 16 is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 has also been applied. Management is currently assessing the potential impact of the adoption of IFRS 16.

3. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of these condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(i) the recoverability of accounts receivable and prepayments totaling $58,538 (September 30, 2017: $118,539);

(ii) the estimated useful lives of solar energy generation equipment totaling $1,852,848 (September 30, 2017: $1,880,016) and the related amortization for the period of $27,168 (2016: $27,168);

(iii) the provision for income taxes recovery for the period of $12,776 (2016: $11,383).

4. FAIR VALUE MEASUREMENTS AND DISCLOSURES

Fair Value Measurement

The Company does not have any financial assets or liabilities measured at fair value.

Fair Value Disclosures

Fair value represents management's estimates of the market value at a given point in time, which may not reflect fair value in the future. These calculations are subjective in nature, involve uncertainties and are a matter of judgement and therefore cannot be determined with precision.

The carrying values of the cash, accounts receivable, accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature of these instruments.

The carrying value and fair value of the loan payable is as follows:

	December 31, 2017		September 30, 2017	
	Carrying value	Fair value	Carrying value	Fair value
Loan payable	$ 2,057,970	$ 2,063,069	$ 2,057,970	$ 2,058,075

The Company uses the government of Canada bond yield curve plus an adequate constant credit spread to discount the above financial instruments in order to determine fair value. The fair value of the loan payable is based upon level 2 fair value hierarchy inputs.

5. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, Officers of the Company, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

The Company entered into transactions and had outstanding balances with various companies related by virtue of common ownership and management. These transactions were in the normal course of operations and were measured at the amount of consideration established and agreed to by the related parties.

Significant related party transactions for the three months ended December 31, 2017 and 2016 and balances as of December 31, 2017 and September 30, 2017 not disclosed elsewhere in these condensed interim financial statements are as follows:

The Company's solar energy generation project is located on the roof of a property owned by GCI. The roof is being rented by the Company from GCI for $52,813 per annum ending in August 2034.

The Company has entered into an agreement with Highroad Estates Inc. ("Highroad"), a company of which certain directors and officers are also directors and officers of the Company, to manage this operation for $60,000 per annum.

The Company has entered into an administrative services agreement with GCI for $6,000 per annum.

Under the above agreements, management fees of $15,000 (2016: $15,000) were charged by and paid to Highroad and rent of $13,203 (2016 $13,203) and administrative services fees of $1,500 (2016: $1,500) were charged by and paid to GCI.

Directors fees of $12,500 (2016: $12,500) were paid to independent directors.

Loan payable at December 31, 2017 of $2,057,970 (September 30, 2017: $2,057,970) is due to GCI on August 1, 2019 and bears interest at 4% per annum. During the three months ended December 31, 2017, $20,749 (2016: $25,790) of interest was charged and paid under this loan and no amount of interest payable is outstanding as at December 31, 2017.

The Company did not directly pay any remuneration to key management (other than to independent directors as noted above) for the three months ended December 31, 2017 or 2016. Key management remuneration (other than director's fees) is included in the above management and administration fees.

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FOR THE THREE MONTHS ENDED DECEMBER 31, 2017

The following Management's Discussion and Analysis ("MD&A") provides a review of the financial condition and results of operations of Gencan Capital Inc. (the "Company") for the three months ended December 31, 2017. This MD&A should be read in conjunction with the Company's unaudited condensed interim financial statements and notes thereto for the three months ended December 31, 2017, and the audited financial statements and notes thereto and annual MD&A for the fiscal year ended September 30, 2017, which can be found on SEDAR at www.sedar.com.

In this document and in the Company's unaudited condensed interim financial statements, unless otherwise noted, all financial data is prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts, unless specifically identified as otherwise, both in the unaudited condensed interim financial statements and this MD&A, are expressed in Canadian dollars.

MD&A contains forward-looking statements, including statements concerning possible or assumed future results of operations of the Company. Forward-looking statements typically involve words or phrases such as "believes", "expects", "anticipates", "intends", "foresees", "estimates" or similar expressions. Forward-looking statements involve risks, uncertainties and assumptions, as described from time to time in the Company's reports and filed with securities commissions in Canada, which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. In addition, the Company expressly disclaims any obligation to publicly update or alter its previously issued forward-looking statements.

The discussion and analysis in this MD&A is based on information available to management as of February 9, 2018.

THE COMPANY

The Company is a Canadian Company operating in Canada with significant interests in solar energy generation equipment located in Cambridge, Ontario, Canada.

On October 30, 2015, pursuant to a Plan of Arrangement between the Company and Genterra Capital Inc. ("GCI"), the Company was spun-off as a public company and it shares were listed on the Canadian Securities Exchange under the symbol "GCA". GCI currently retains a 78% controlling interest in the Company.

The business objective of the Company is to create and maximize shareholder value through its business operations.

A Feed-In Tariff ("FIT") Program was developed for the Province of Ontario to encourage and promote greater use of renewable energy sources including on-shore wind, waterpower, renewable biomass, biogas, landfill gas and solar photovoltaic (PV) for electricity generating projects in Ontario. The fundamental objective of the FIT Program, in conjunction with the *Green Energy and Green Economy Act, 2009 (Ontario)* and Ontario's Long Term Energy Plan, 2010, is to facilitate the increased development of renewable generating facilities of varying sizes, technologies and configurations via a standardized, open and fair process.

The FIT Program is open to projects with a rated electricity generating capacity greater than 10 kilowatts (kW) and generally up to 500 kW.

The Company through Highroad Estates Inc. ("Highroad"), of which certain directors and officers are also directors and officers of the Company, entered into a FIT Contract with the Ontario Power Authority (now the Independent Electricity System Operator "IESO") for a solar PV rooftop facility at GCI's property located at 450 Dobbie Drive, in Cambridge, Ontario to supply the energy produced by the facility to the local utility. Highroad also entered into an agreement with Endura Energy Project Corp. ("Endura") for the Company to install the solar energy generation equipment on the roof of the 450 Dobbie Drive property. Highroad manages the project operation on behalf of the Company.

Endura, which designs, builds and consults on the development of medium and large scale solar energy systems, completed the design and construction of the Company's rooftop solar PV system which began commercial operation on August 18, 2014. The Company's solar rooftop PV system is located in a commercial urban area where the power is needed most and mitigates the need for the transport and distribution of electricity from distant parts of the province.

The Company's installed solar power provides enough energy to power approximately 100 average homes and reduces carbon emissions equivalent to planting 450 trees each year.

The Company's rooftop solar energy generation equipment consists of 2,795 solar panels with a modular tilt of 20 degrees and an azimuth of 15 degrees east of south. The total size of the system is 726.7 kW DC capacity with a maximum of 500.0 kW AC production.

Revenue is earned under a twenty year FIT Program Contract with the IESO at a rate of $0.635 per kWh delivered to the local utility provider. In contrast, contracts awarded by the IESO, under the fifth and final iteration of the FIT Program, for a similar size system as the Company's was at $0.207 per kWh.

OUTLOOK

The Company's primary asset is its significant investment in a Renewable Power Solar PV Rooftop System.

The Company provides an opportunity to invest in hard asset investments, managed by an experienced team with a successful track record. Management is currently evaluating potential prospects for the Company.

RESULTS OF OPERATIONS

Summary of Quarterly Results

	2018	2017				2016		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenue	**$ 66,842**	**$149,165**	**$176,570**	**$ 75,975**	**$ 72,578**	**$194,341**	**$193,934**	**$ 75,978**
Net income (loss)	**(35,437)**	**18,261**	**44,567**	**(40,354)**	**(31,574)**	**53,333**	**53,691**	**(40,674)**
Income (loss) per share	$ (0.00)	$ 0.00	$ 0.00	$ (0.00)	$ (0.00)	$ 0.00	$ 0.00	$ (0.00)

"Q1" refers to the three months ended December 31; "Q2" refers to the three months ended March 31; "Q3" refers to the three months ended June 30; "Q4" refers to the three months ended September 30; "2018", "2017" and "2016" refer to the twelve month fiscal years ending September 30, 2018, 2017 and 2016.

RESULTS FOR THE THREE MONTHS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016	Change
Revenue			
Solar energy generation	$ 66,842	$ 72,578	$ -5,736
	66,842	72,578	-5,736
Expenses			
Operating costs	23,476	20,479	+2,997
Administrative and general	43,662	42,098	+1,564
Interest	20,749	25,790	-5,041
Amortization	27,168	27,168	-
	115,055	115,535	-480
Loss before income taxes	(48,213)	(42,957)	-5,256
Income tax recovery	(12,776)	(11,383)	-1,393
Net loss	$ (35,437)	$ (31,574)	$ -3,863

Review of Results for the Three Months ended December 31, 2017 and 2016

Solar Energy Production

Total kW hours delivered for the three months ended December 31, 2017 and 2016 are as follows:

	2017	2016	Change
kW hours produced	105,000	114,000	-9,000
			-8%

Solar Energy Generation Revenue

The solar energy generation revenue represents revenue earned from the solar energy generation equipment located on the roof of a building owned by GCI, which is located in Cambridge, Ontario. Solar energy generation revenue is seasonal with the highest levels of production experienced during the summer months when there is more sunlight available to the solar panels.

During the three months ended December 31, 2017 compared 2016, the Company produced approximately 8% less electricity and consequently revenue decreased by a similar percentage.

	2017	2016	Change
Solar energy revenue	$ 66,842	$ 72,578	-5,736
			-8%

Operating Costs

Operating costs for the solar energy generation equipment includes insurance, maintenance and rent charges for the rental of the roof where the solar energy generation equipment is located.

The increase in operating costs for the three months ended December 31, 2017 compared to 2016 was due to increases in security maintenance costs.

	2017	2016	Change
Operating costs	$ 23,476	$ 20,479	+2,997

Administrative and General Expenses

Administrative and general expenses include management fees paid to Highroad to manage the Company's solar energy generation operation, audit fees, legal fees, liability insurance, director's fees and shareholder related costs.

The increase in administrative and general expenses for the three months ended December 31, 2017 compared to 2016 was due to an increase in shareholder related costs.

	2017	2016	Change
Administrative and general	$ 43,662	$ 42,098	+1,564

Interest Expense

Interest expense represents interest charged by GCI on the outstanding loan payable. The decrease in interest expense for the three months ended December 31, 2017 compared to 2016 was due to the repayment of $500,000 of principal during July 2017.

	2017	2016	Change
Interest	$ 20,749	$ 25,790	-5,041

Amortization

Amortization expense represents the amortization of the solar energy generation equipment and remained consistent for the three months ended December 31, 2017 compared to 2016. Amortization is provided for over the estimated useful life of the equipment being 20 years for the solar modules and racking and 10 years for the energy transformer.

	2017	2016	Change
Amortization	$ 27,168	$ 27,168	-

Income Tax Provision

There are no differences between the Company's statutory tax rate and its effective tax rate of 26.5% for the three months ended December 31, 2017 compared to 2016.

	2017	2016	Change
Loss before income taxes	$ (48,213)	$ (42,957)	-5,256
Income tax recovery	(12,776)	(11,383)	-1,393
Effective tax rate	26.5%	26.5%	

Net Loss

Net loss for the three months ended December 31, 2017 was $35,437 compared to $31,574 for 2016.

	2017	2016	Change
Net loss	$ (35,437)	$ (31,574)	-3,863

Inflation

Inflation has not had a material impact on the results of the Company's operations in its last quarter and is not anticipated to materially impact on the Company's operations during its next fiscal year.

LIQUIDITY AND CAPITAL RESOURCES

The Company's principal sources of liquidity are cash on hand and cash flow from operations.

	December 31 2017	September 30 2017	Change
Working Capital			
Current assets	$ 330,463	$ 365,685	$ -35,222
Current liabilities	43,222	56,996	-13,774
	287,241	308,689	-21,448
Ratio of current assets to current liabilities	7.6	6.4	
Cash	$ 271,925	$ 247,146	$ +24,779

Working capital is primarily represented by cash and accounts receivable offset by outstanding payables and sales taxes payable relating to the solar energy generation operation.

The Company's working capital decreased by $21,448 to $287,241 as at December 31, 2017 compared to $308,689 as at September 30, 2017 due to increased cash and prepaid expenses, offset by a decrease in accounts receivable and accounts payable.

During the three months ended December 31, 2017 the Company's cash position increased by $24,779 to $271,925 from $247,146 as at September 30, 2017. The net increase was due to the following:

- Operating Activities increased cash by $45,528. This was a result of $699 of cash used in operations combined with an increase of $46,227 from changes in non-cash components of working capital;

- Financing Activities decreased cash by $20,749 due to interest payments on the loan payable;

- Investing Activities did not impact cash.

The Company anticipates that it will require approximately $380,000 in order to meet its ongoing expected costs for the next twelve months. These costs include solar energy generation operating expenses, rent, insurance, fees for management and administrative services provided to the Company, audit fees, director's fees, shareholder costs, and interest expense on the loan payable. The Company expects to generate the revenue required in order to service these expenditures from its existing solar energy generation equipment.

RELATED PARTY TRANSACTIONS

The Company entered into transactions and had outstanding balances with various companies related by common ownership and management.

The transactions with related parties are in the normal course of business.

Related party transactions for the three months ended December 31, 2017 are summarized as follows:

The Company's solar energy generation project is located on the roof of a property owned by GCI which is being rented by the Company for $52,813 per annum.

The Company has an agreement with Highroad to manage its solar energy generation operation for $60,000 per annum.

The Company has an administrative services agreement with GCI for $6,000 per annum.

Under the above agreements, management fees of $15,000 were charged by and paid to Highroad and rent of $13,203 and administrative services fees of $1,500 were charged by and paid to GCI.

Director's fees of $12,500 were paid to independent directors.

Loan payable at December 31, 2017 of $2,057,970 is due to GCI on August 1, 2019 and bears interest at 4% per annum. During the three months ended December 31, 2017, $20,749 of interest was charged and paid under this loan.

SHARE DATA

The following table sets forth the Outstanding Share Data for the Company as at February 9, 2018:

	Authorized	Issued
Common Shares	Unlimited	16,092,284

RISKS AND UNCERTAINTIES

The Company is subject to a number of broad risks and uncertainties including general economic conditions. In addition to these broad business risks, the Company has specific risks that it faces, the most significant of which are outlined in the Company's MD&A for the year ended September 30, 2017. **The risks and uncertainties discussed therein highlight the more important factors that could significantly affect the Company's operations and profitability. They do not represent an exhaustive list of all potential issues that could affect the financial results of the Company and are not presented in any particular order of relevance.**

There were no significant changes to these risks and uncertainties as of the date of this MD&A.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's discussion and analysis of its results of operations and financial condition are based upon its financial statements that have been prepared in accordance with IFRS. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Estimates and assumptions are evaluated on an ongoing basis and are based on historical and other factors believed to be reasonable under the circumstances. The results of these estimates may form the basis of the carrying value of certain assets and liabilities and may not be readily apparent from other sources. Actual results, under conditions and circumstances different from those assumed, may differ from estimates.

Notes 2, 3 and 4 of the Company's audited financial statements for the year ended September 30, 2017 and notes 2 and 3 of the Company's unaudited condensed interim financial statements for the three months ended December 31, 2017 provide a detailed discussion of the Company's significant accounting policies and application of critical accounting estimates and judgements.

FINANCIAL INSTRUMENTS, FINANCIAL RISK MANAGEMENT AND OTHER INSTRUMENTS

The Company does not utilize financial instruments such as hedging instruments to manage financial risks.

For cash and cash equivalents, accounts receivable, trade and other payables and loans and borrowings with a maturity of less than one year, fair value is not materially different from the carrying amount due to the effect of the time value of money. See Note 10 of the Company's audited financial statements for the year ended September 30, 2017 and Note 4 of the Company's unaudited condensed interim financial statements for the three months ended December 31, 2017 for a more detailed discussion and additional fair value disclosures.

Proposed Transactions

Management periodically enters into informal discussions with prospective business partners in the normal course of operations. However, management does not believe that any of these discussions constitute a proposed transaction for the purpose of this report.

Off-Balance Sheet Arrangements

The Company had no off balance sheet arrangements as of December 31, 2017 and September 30, 2017.

NEW ACCOUNTING STANDARDS AND ACCOUNTING PRONOUNCEMENTS

Financial Instruments

IFRS 9, *Financial Instruments: Classification and Measurement*, introduces new requirements for the classification and measurement of financial instruments, a single forward-looking expected loss impairment model and a substantially reformed approach to hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. Management is currently assessing the potential impact of the adoption of IFRS 9.

Revenue Recognition

IFRS 15, *Revenue Recognition*, provides for a single, comprehensive revenue recognition model for all contracts with customers. It contains a single principles based five step approach that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It also contains new disclosure requirements. IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. Management is currently assessing the potential impact of the adoption of IFRS 15.

Leases

IFRS 16, *Leases*, introduces a new standard replacing IAS 17 Leases, that results in bringing many leases on balance sheet that are considered operating leases under IAS 17. Lessor accounting remains largely unchanged. IFRS 16 is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 has also been applied. Management is currently assessing the potential impact of the adoption of IFRS 16.

ADDITIONAL INFORMATION

Additional information relating to the Company, including the Company's annual report, audited year-end financial results and unaudited quarterly financial results, can be accessed on SEDAR (www.sedar.com). For further information shareholders may also contact the Company by email at ivy@forumfinancialcorp.com.