

THE CORPORATION OF THE TOWNSHIP OF MCGARRY

SOLAIRE MCGARRY SOLAR INC. - SUMMARY FINANCIAL STATEMENTS (Prepared using
International Financial Reporting Standards)
DECEMBER 31, 2016

STATEMENT OF FINANCIAL POSITION

| | 2016 | 2015 |
|--|---------------------|---------------------|
| ASSETS | | |
| Cash | \$ 300,504 | \$ 14,846 |
| Accounts receivable | 33,533 | 280,888 |
| Prepaid expenses | 6,684 | - |
| Property and Equipment | 2,713,660 | 2,532,894 |
| Future Payment in Lieu of Taxes | 5,545 | 2,520 |
| TOTAL FINANCIAL ASSETS | \$ 3,059,926 | \$ 2,831,148 |
| LIABILITIES | | |
| Accounts payable and accrued liabilities | \$ 1,911 | \$ 193,755 |
| Due to Energie Kapuskasing Energy Inc. | \$ 3,089,334 | \$ 2,651,029 |
| CAPITAL DEFICIENCY | | |
| CAPITAL STOCK | 100 | 100 |
| ACCUMULATED DEFICIT | (31,419) | (13,736) |
| TOTAL FINANCIAL LIABILITIES | \$ 3,059,926 | \$ 2,831,148 |

STATEMENT OF LOSS AND ACCUMULATED DEFICIT

| | 2016 | 2015 |
|--|--------------------|-------------------|
| SALES | \$ 46,794 | \$ 34,692 |
| COST OF SALES | 1,706 | 404 |
| GROSS MARGIN | 45,088 | 34,288 |
| EXPENSES | | |
| Amortization | 31,752 | 23,814 |
| Insurance | 7,720 | - |
| Miscellaneous | 706 | 237 |
| Interest and bank charges | 23,026 | 15,039 |
| Professional fees | 4,704 | 3,840 |
| TOTAL EXPENSES | 67,908 | 42,930 |
| OTHER INCOME | 2,112 | - |
| LOSS BEFORE INCOME TAXES | (20,708) | (8,642) |
| FUTURE PAYMENT IN LIEU OF TAXES RECOVERY | (3,025) | (2,520) |
| NET LOSS | \$ (17,683) | \$ (6,122) |
| ACCUMULATED DEFICIT, BEGINNING OF YEAR | \$ (13,736) | \$ (7,614) |
| ACCUMULATED DEFICIT, END OF YEAR | \$ (31,419) | \$ (13,736) |