Condensed Interim Consolidated Financial Statements of

GLACIER MEDIA INC.

For the three months ended March 31, 2019

Management's Discussion & Analysis 1-13
Interim Consolidated Statements of Operations 14
Interim Consolidated Statements of Comprehensive (Loss) Income 15
Interim Consolidated Balance Sheets 16
Interim Consolidated Statements of Changes in Equity 17
Interim Consolidated Statements of Cash Flows 18
Condensed Notes to the Interim Consolidated Financial Statements 19-30
Corporate Information 31

First Quarter 2019 Management's Discussion & Analysis ("MD&A")

Forward-Looking Statements

In this MD&A, Glacier Media Inc. and its subsidiaries are referred to collectively as "Glacier", "us", "our", "we" or the "Company" unless the context requires otherwise.

The information in this report is as at May 13, 2019.

Glacier Media Inc.'s Interim Report, including this MD&A and the accompanying Report to Shareholders, contains forward-looking statements that relate to, among other things, our objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates and can generally be identified by the use of statements that include phrases such as "believe", "expected", "anticipate", "intend", "plan", "likely", "will", "may", "could", "should", "would", "suspect", "outlook", "estimate", "forecast", "objective", "continue" (or the negative thereof) or similar words or phrases. These forward-looking statements include, among other things, statements relating to our expectations regarding revenues, expenses, cash flows, future profitability and the effect of our strategic initiatives and restructuring, including our expectations to grow certain operations, to invest in key strategic areas, to generate new revenues, to realize cost efficiencies, to generate sufficient cash flow from operations to meet anticipated working capital, capital expenditures, and debt service requirements, to reduce debt levels, and that reduced debt levels in investment entities will result in further distributions to the Company. These forward-looking statements are based on certain assumptions, including continued economic growth and recovery and the realization of cost savings in a timely manner and in the expected amounts, which are subject to risks, uncertainties and other factors which may cause results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, and undue reliance should not be placed on such statements.

Important factors that could cause actual results to differ materially from these expectations include failure to implement or achieve the intended results from our strategic initiatives, the failure to reduce debt and the other risk factors listed in our Annual Information Form under the heading "Risk Factors" and in our Interim MD&A under the heading "Business Environment and Risks", many of which are out of our control. These other risk factors include, but are not limited to, the ability of the Company to sell advertising and subscriptions related to its publications, foreign exchange rate fluctuations, the seasonal and cyclical nature of the agricultural and energy sectors, discontinuation of government grants, general market conditions in both Canada and the United States, changes in the prices of purchased supplies including newsprint, the effects of competition in the Company's markets, dependence on key personnel, integration of newly acquired businesses, technological changes, tax risk, financing risk, debt service risk and cybersecurity risk.

The forward-looking statements made in the Company's Interim Report, including this MD&A and the accompanying Report to Shareholders, relate only to events or information as of the date on which the statements are made. Except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

The Interim Report, this MD&A and the documents to which we refer herein should be read completely and with the understanding that our actual future results may be materially different from what we expect.

Basis of Discussion and Analysis

The following management discussion and analysis of the financial condition and results of operations of the Company and other information is dated as at May 13, 2019 and should be read in conjunction with the Company's condensed interim consolidated financial statements and notes thereto as at and for the period ended March 31, 2019. The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements include only significant events and transactions affecting the Company during the current fiscal period and do not include all disclosures normally provided in the Company's annual consolidated financial statements. As a result, these condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the period ended December 31, 2018 and related MD&A which can be obtained on the Company's website: www.glaciermedia.ca and on the System for Electronic Document Analysis and Retrieval ("SEDAR"). Interim results are not necessarily indicative of the results expected for the fiscal year.

Non-IFRS Measures

Earnings before interest, taxes, depreciation and amortization ("EBITDA"), EBITDA margin, and EBITDA per share, are not generally accepted measures of financial performance under IFRS. In addition, certain results in this MD&A stated to be "adjusted" have been presented on an adjusted basis that includes the Company's shares of revenue, expenses, assets and liabilities from its joint venture operations, which reflects the basis on which management makes its operating decisions and performance evaluation. These adjusted measures are also not generally accepted measures of financial performance under IFRS. Management utilizes these financial performance measures to assess profitability and return on equity in its decision making. In addition, the Company, its lenders and its investors use EBITDA to measure performance and value for various purposes. Investors are cautioned; however, that EBITDA should not be construed as an alternative to net income (loss) attributable to common shareholders determined in accordance with IFRS as an indicator of the Company's performance.

The Company's method of calculating these financial performance measures may differ from other companies and, accordingly, they may not be comparable to measures used by other companies. A quantitative reconciliation of these non-IFRS measures is included in the section entitled EBITDA Reconciliation with Per Share Amounts and a reconciliation of the adjusted non-IFRS measures is included in the section entitled Reconciliation of IFRS to Adjusted Results in this MD&A.

All financial references are in millions of Canadian dollars unless otherwise noted.

Overview of the Business

Glacier operates as an information and marketing solutions company pursuing growth in sectors where the provision of essential information and related services provides high customer value. The Company's "go to market" strategy is being pursued through two operational areas:

1. Data, analytics and intelligence; and
2. Content and marketing solutions

Through its brands and operations, Glacier serves clients in three segments:

Environmental, Property and Financial Information

Environmental and Property Information	• ERIS (Environmental Risk Information Services), Specialty Technical Publishers ("STP") and REW (digital real estate listing information portal)
Financial Information	• Fundata (non-controlling interest)

Commodities Information

Agricultural Information	• Glacier FarmMedia ("GFM"): Western Producer, Farm Business Communications, Canada's Outdoor Farm Show ("COFS"), Ag In Motion ("AIM"), AgDealer, Global Auction Guide and Weather Innovations Network ("WIN")
Energy and Mining Information	• JuneWarren-Nickle's Energy Group (including CanOils) ("JWN"), Evaluate Energy, Northern Miner Group and Infomine

Community Media

Community Media	• Digital media products and marketing services • Local daily and weekly newspapers and related publications in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and the United States (includes direct, joint venture and other interests)

Additional information on Glacier's operations is included in the Company's Annual Information Form as filed on SEDAR (www.sedar.com).

Significant Developments in 2019 and Outlook

Glacier Media Inc.'s ("Glacier" or the "Company") continues to make progress and experience growth in identified key areas within business information and digital media. Softness in print advertising revenue, affecting community media and the agricultural print publications, also continues to be a challenge for the Company. The declines in print revenue are being mitigated by revenue growth in the key areas including ERIS, REW and mining, as well as significant increases in community media digital revenues. The overall revenue declines have impacted EBITDA for the quarter. Additionally, the company continues to make operating investments in some of the key strategic initiatives including newly developed and expanded products within certain business information operations and digital community media. These investments are critical to the Company's growth plan and are resulting in demonstrable value creation. Given the uncertain North American and global economic conditions that exist and the stage of transformation some of the Company's businesses are in, the Company will operate cautiously, but believes continued investment is necessary for long-term value creation. Cost efficiency opportunities continue to be pursued where possible to help manage profitability while investment is being made.

Management will focus on making progress in its growth areas, improving profitability and reducing debt further in order to maintain financial flexibility and be in a strong position to exploit opportunities should they arise.

Subsequent to quarter end, the Company's interest in Fundata was sold for $55.0 million. $45.0 million of the purchase price was paid at closing and $10.0 million is payable over four years through a vendor take-back.

Additionally, the Company acquired the assets of Castanet Media and related radio assets. The purchase price was $22.0 million for the Castanet assets and $2.0 million for the shares of the company that owns the radio station. $18.7 million was paid at closing and the remainder is payable over two years. The acquisition of the radio station shares is subject to Canadian Radio-television and Telecommunications Commission approval.

Subsequent to quarter end the Company borrowed $10.0 million through an unsecured loan that was arranged from Madison Venture Corporation in order to provide certainty of funding for the Castanet acquisition and allow greater financial flexibility compared to increased senior debt borrowing. It was not clear while the Castanet acquisition was being pursued and negotiated that the Fundata disposition would occur, and certainty of financing was required for the Castanet acquisition to be undertaken on an exclusive and confidential basis. The Company may repay all or part of the loan prior to maturity to reduce interest costs while balancing senior leverage levels and associated risk

Reconciliation of IFRS to Adjusted Results and Non-IFRS Measures

The following table reconciles the Company's results as reported under IFRS to the results presented on an adjusted basis that includes the Company's shares of revenue, expenses, assets and liabilities from its joint venture operations, which reflects the basis on which management makes its operating decisions and performance evaluation.

(thousands of dollars)	**Three months ended March 31, 2019**			Three months ended March 31, 2018		
except share and per share amounts	**Per IFRS**	**Differential**	**Adjusted** [1]	Per IFRS	Differential	Adjusted [1]
Revenue	$ 44,262	$ 8,570	$ 52,832	$ 44,858	$ 8,228	$ 53,086
Gross profit [3]	$ 11,472	$ 3,927	$ 15,399	$ 13,611	$ 4,072	$ 17,683
Gross margin	25.9%		29.1%	30.3%		33.3%
EBITDA [1][2]	$ 1,961	$ 2,547	$ 4,508	$ 3,747	$ 2,709	$ 6,456
EBITDA margin [1]	4.4%		8.5%	8.4%		12.2%
EBITDA per share [1][2]	$ 0.02	$ 0.02	$ 0.04	$ 0.03	$ 0.03	$ 0.06
Net loss attributable to common shareholders	$ (1,476)	$ (35)	$ (1,511)	$ (48)	$ (135)	$ (183)
Net loss attributable to common shareholders per share	$ (0.01)	$ -	$ (0.01)	$ 0.00	$ -	$ 0.00
Cash flow from operations	$ 1,700	$ 2,149	$ 3,849	$ 2,510	$ 2,096	$ 4,606
Cash flow from operations per share	$ 0.02	$ 0.02	$ 0.04	$ 0.02	$ 0.02	$ 0.04
Weighted average shares outstanding, net	109,828,731		109,828,731	109,828,731		109,828,731

Notes:
(1) Refer to "Non-IFRS Measures" section for discussion of non-IFRS measures used in this table.
(2) Refer to "EBITDA Reconciliation".
(3) Gross profit for these purposes excludes depreciation and amortization.

Adjusted Operational Performance[1]

Management believes that including its share of revenues, expenses and cash flows of its joint venture operations in the Company's results provides a more comprehensive basis for reflecting and assessing the overall operations of the Company. Management bases its operating decisions and performance evaluation using the adjusted results[1]. The following discussion adjusts the Company's reported results under IFRS to include the revenues, expenses and cash flows of its joint ventures.

Adjusted consolidated revenue was $52.8 million for the period, down $0.3 million or 0.5%. Adjusted consolidated EBITDA was $4.5 million for the period, down $1.9 million or 30.1% from the prior year.

The Company continues to make progress in its key growth areas in business information and digital media, which are offsetting expected print revenue declines, as demonstrated by the overall revenue performance. These businesses typically have higher margins and higher valuations than print revenue businesses one sufficient scale is achieved, so the Company can achieve higher value with lower consolidated revenue going forward. However, continued investment in product development as well as softness in print media community advertising are still constraining EBITDA growth.

ERIS, REW and the mining group operations all generated strong revenue growth. The agricultural group experienced a weak quarter due to softer industry conditions, although new revenue growth was generated from a variety of sources including new digital agricultural data products and Farmtario.

The digital community media group's revenue and profitability grew significantly as well, as progress continues to be made in the growth of the community websites, digital marketing services and specialty products & services.

The decline in adjusted EBITDA was primarily due to 1) softness in print community media advertising, 2) softness in the agricultural group and 3) increased operating investments made in some of the key strategic initiatives, including the REW real estate portal, agriculture show expansion, new weather and agricultural markets subscription-based products, mining data and intelligence information products and new digital community media products.

These investments are being made to take advantage of opportunities that exist in the Company's markets that require timely action to be taken. The growth in revenues being achieved in these operations, and the demand for the Company's products this reflects, underscores the fact that the investments are working and value is being created.

Efforts are being made to improve profitability going forward through the acceleration of revenue growth from the investments being made in growth areas, timing of additional investments in relation to incremental revenue being generated, and a variety of cost reduction and rationalization initiatives being pursued primarily in the newspaper operations.

At March 31, 2019, senior debt increased $4.3 million to $44.0 million. Increased capital investments were made in the Company's key growth initiatives, particularly ERIS, REW and the agricultural shows. Additionally, the Company advanced funds to an associate to complete significant restructuring efforts. The Company's non-recourse, non-mortgage debt in its investment entities has been reduced to a nil position net of cash on hand as a result of significant debt repayment. This will allow for increased distributions from these entities to the Company in the future.

On an adjusted basis, Glacier's consolidated debt net of cash outstanding before deferred financing charges was 1.65x trailing 12-months adjusted EBITDA as at March 31, 2019.

Note:

> [1] The adjusted consolidated financial results have been adjusted to include the Company's share of revenue, expenses, assets and liabilities from its joint venture operations on a proportionate accounting basis as this is the basis on which management bases its operating decisions and performance evaluation. IFRS does not allow for the inclusion of the joint ventures on a proportionate basis. These results include additional non-IFRS measures such as EBITDA.

The adjusted results are not generally accepted measures of financial performance under IFRS. The Company's method of calculating these financial performance measures may differ from other companies and accordingly, they may not be comparable to measures used by other companies. Please refer to the **Reconciliation of IFRS to Adjusted Results** for a reconciliation of these non-IFRS measures and adjusted results. Management reports its results adjusted to include its share of its joint ventures in the MD&A under the heading **Adjusted Operational Performance**. Management reports its results adjusted to include its share of its joint ventures in the Report to Shareholders.

First Quarter IFRS Results and Overview of Operating Performance

Selected Financial Information

The following outlines selected financial statistics and performance measures for Glacier, on an IFRS basis (other than the non-IFRS measures noted) for the periods ended March 31, 2019 and 2018:

(thousands of dollars)	Three months ended March 31,			
except share and per share amounts		2019		2018
Revenue	$	44,262	$	44,858
Gross profit (2)	$	11,472	$	13,611
Gross margin		25.9%		30.3%
EBITDA (1)	$	1,961	$	3,747
EBITDA margin (1)		4.4%		8.4%
EBITDA per share (1)	$	0.02	$	0.03
Net interest expense, debt	$	891	$	572
Net loss attributable to common shareholders	$	(1,476)	$	(48)
Net loss attributable to common shareholders per share	$	(0.01)	$	0.00
Cash flow from operations	$	1,700	$	2,510
Cash flow from operations per share	$	0.02	$	0.02
Capital expenditures	$	4,847	$	1,421
Total assets	$	252,606	$	234,123
Total non-current financial liabilities	$	55,534	$	38,838
Debt net of cash outstanding before deferred financing charges and other expenses	$	43,658	$	38,984
Equity attributable to common shareholders	$	130,061	$	132,037
Weighted average shares outstanding, net		109,828,731		109,828,731

Notes:
(1) Refer to "Non-IFRS Measures" and "EBITDA Reconciliation" section for calculation of non-IFRS measures used in this table.
(2) Gross profit for these purposes excludes depreciation and amortization.

The main factors affecting the comparability of the results for the first quarter include:

- Operating performance of the Company's various business units and general market conditions during the reported years;
- Revenues continue to be impacted by the weaker community media industry, the cyclical nature of certain of Glacier's businesses, including the low price of oil and fluctuating conditions in the agriculture industry;
- The adoption of IFRS 16 *Leases* has resulted in an increase in EBITDA for the period ended March 31, 2019 of $0.8 million. Interest of $0.2 million on the lease liabilities and depreciation of $0.9 million of the right-of-use assets are charged to the statement of operations below EBITDA for the period ended March 31, 2019. Additionally, the balance sheet was affected by the inclusion of the right-of-use assets and lease liabilities, which brings the leases on balance sheet. As a result, total assets increased by $11.3 million, current liabilities increased by $2.9 million and non-current liabilities increased by $8.5 million as at March 31, 2019;
- In April 2018, the Company acquired the remaining 50% of Infomine; which resulted in the consolidation of Infomine's results in the period ended March 31, 2019 results; and
- Fluctuations in restructuring expenses including severance payments, transaction and transition expenses, and other amounts related to the closure and sale of certain community media assets.

Revenue

Glacier's consolidated revenue for the period ended March 31, 2019 was $44.3 million compared to $44.9 million in the same period for the same period in the prior year.

Environmental, Property and Financial Information

The Environmental, Property and Financial Information group generated revenue of $5.5 million for the period ended March 31, 2019, as compared to $5.1 million in the same period for the same period in the prior year.

ERIS experienced strong growth in both Canada and the U.S., with significant new customer additions and renewals including new mid-sized customers in the U.S. market.

REW, the Company's online real estate portal, continues to grow in terms of site features, traffic and revenues. Revenue grew despite the slower real estate conditions in the Vancouver and Toronto markets. Weaker market conditions often increase the need for realtors and developers to advertise and invest in lead generation in order to sell homes.

Commodities Information

The Commodities Information group generated revenue of $14.6 million for the period ended March 31, 2019, as compared to $14.1 million for the same period for the same period in the prior year.

Conditions in the agricultural market have softened amid uncertainty from trade disputes and the consolidation of major crop input companies. These adverse conditions weighed on first quarter performance. The Company did, however, continue to invest in and see solid growth in key agricultural information operations such as outdoor shows and online listings.

The energy group remains stable for the period after the substantial restructurings enacted over the last two years. The Company's mining operations, the Northern Miner and Infomine, operated in choppy market conditions. Despite these challenges, both the Northern Miner and Infomine grew revenues. Having purchased the remaining interest in Infomine in 2018, the Company operationally merged its mining operations in the fourth quarter of 2018. This will continue to result in cost efficiencies and new revenue opportunities throughout the rest of 2019.

Community Media

The Community Media group generated $24.2 million of revenue for the period ended March 31, 2019, as compared to $25.7 million for the same period for the same period in the prior year.

Community media print advertising revenues declined as anticipated, while digital revenues grew substantially. It is becoming apparent that a viable long-term digital community media business model exists where the Company can leverage its broad presence in local markets across Western Canada and offer local websites, digital marketing services and specialty digital products.

The Company is investing in the digital business by hiring and training to broaden our skills and experience base in line with market needs and opportunities, as well as product and services development. The investment is working as traffic is growing, revenue is growing and profitability is growing. Customer retention levels are high, which indicates the digital products and services being offered are working for our clients. Digital traffic is being monetized effectively and the actual dollar size of the digital solutions being sold is growing and attractive compared to print advertising, which was not historically the case.

Gross Profit

Glacier's consolidated gross profit, being revenues less direct expenses, for the period ended March 31, 2019 was $11.5 million compared to $13.6 million for the same period for the same period in the prior year. The decrease in gross profit is largely attributable to the increase in direct expenses and operational investments in strategic areas.

Gross profit as a percentage of revenues ("gross profit margin") for the period ended March 31, 2019 was 25.9% as compared to 30.3% for the same period for the same period in the prior year.

General & Administrative Expenses

Glacier's consolidated general and administrative expenses were $9.5 million for the period ended March 31, 2019 down from $9.9 million for the same period for the same period in the prior year. While the Company continues to focus on reducing administration costs in its general operations, the Company continues to invest in its administration and infrastructure to support its growth opportunities and digital products. Additionally, general and administrative expenses decreased $0.8 million as a result of the adoption of IFRS 16 and the change in the accounting for leases, which removes the operating cost of the lease from general and administrative expenses and moves it to depreciation and interest, as described below.

EBITDA

EBITDA was $2.0 million for the period ended March 31, 2019 as compared to $3.7 million for the same period for the same period in the prior year. The results are due to the various reasons stated under **Revenue, Gross Profit** and **General & Administrative Expenses**.

Net Interest Expense, Debt

Glacier's consolidated net interest expense for the period ended March 31, 2019 was $0.9 million as compared to $0.6 million for the same period in the prior year. The increase was the result of both increased borrowings and higher interest rates.

Interest Expense, Lease Liabilities

Interest expense relating to lease liabilities for the period ended March 31, 2019 was $0.2 million as compared to nil for the same period in the prior year. Interest expense from lease liabilities resulted from the implementation of IFRS 16 *Leases*.

Depreciation and Amortization

Depreciation of property, plant and equipment and amortization of intangible assets for the period ended March 31, 2019 increased $0.3 million as compared to the same period for the prior year. This was the result of increases in related assets acquired over the last twelve months. Depreciation of right-of-use assets for the period ended March 31, 2019 was $0.9 million as compared to $ nil in the same period in the prior year. Depreciation expense from right-of-use assets resulted from the implementation of IFRS 16 *Leases*.

Restructuring and Other Expenses (Net)

Restructuring and other expenses (net) for the period ended March 31, 2019 were $0.7 million compared to $2.0 million for the same period in the prior year. These expenses include restructuring costs, foreign exchange, severance expense, other income and other expenses.

Share of Earnings from Joint Ventures and Associates

Share of earnings from joint ventures and associates, which include the Company's share of Fundata Canada Inc. ("Fundata"), Continental Newspapers Ltd. ("Continental"), Great West Newspapers Limited Partnership ("GWNLP"), the Victoria Times-Colonist, Rhode Island Suburban Newspapers, Inc. ("RISN"), Village Media Inc. ("Village") and other joint ventures and associates, increased $0.2 million as compared to the same period for the same period in the prior year.

Aggregate operating results for the Company's joint ventures and associates, at the Company's proportionate share of the results, are as follows:

	As at	
(thousands of dollars)	**March 31, 2019**	December 31, 2018
	$	$
Assets	**77,333**	79,640
Liabilities	**21,892**	27,038
Net assets	**55,441**	52,602
	For the three months ended	
	March 31, 2019	March 31, 2018
	$	$
Revenues	**8,334**	13,293
Net income for the peropd	**1,479**	1,231
Other comprehensive (loss) income	**(445)**	(236)

Net Loss Attributable to Common Shareholders

Net loss attributable to common shareholders increased by $1.4 million compared to the same period in the prior year. The increase resulted from i) lower operating results of $1.8 million, ii) higher net interest expense from debt of $0.3 million, iii) higher interest expense from lease liabilities of $0.2 million and iv) higher depreciation and amortization of $1.1 million (including depreciation relating to right-of-use assets). This was partially offset by i) lower restructuring costs of $1.3 million, ii) higher share of earnings from joint ventures and associates of $0.2 million, iii) higher income tax recovery of $0.4 million and iv) lower non-controlling interest of $0.1 million.

Other Comprehensive Loss (net of tax)

For the period ended March 31, 2019, Glacier recognized other comprehensive loss (net of tax) of $0.5 million. The majority of the loss related to the actuarial loss on defined benefit pension plans resulting from the change in actuarial assumptions, mainly the discount rate.

Cash Flow from Operations

Glacier's consolidated cash flow from operations was $1.7 million (before changes in non-cash operating accounts) for the period ended March 31, 2019 as compared to $2.5 million for the same period in the prior year. The change in cash flow from operations resulted from the factors stated under **Revenue**, **Gross Profit**, **General & Administrative Expenses** and **EBITDA**.

Capital expenditures were $4.8 million for the period ended March 31, 2019 compared to $1.4 million for the same period in the prior year. The majority of the current year expenditures relate to the purchase of land and building to expand the show site for COFS and software development. Prior year capital expenditures related to software development, hardware costs and leasehold improvements.

See "**Summary of Financial Position, Financial Requirements and Liquidity**" for further details.

Related Party Transactions

During the period ended March 31, 2019, the Company and its affiliates recorded administration, consulting, interest and other expenses of $0.2 million from Madison Venture Corporation ("Madison") and its subsidiaries. Madison is a shareholder of the Company and certain of its officers and directors are officers and directors of the Company.

Madison provides strategic, financial, transactional advisory services and administrative services to the Company on an ongoing basis. These services have been provided with the intention of maintaining an efficient and cost effective corporate overhead structure, instead of i) hiring more full-time corporate and administrative staff and thereby increasing fixed overhead costs and ii) retaining outside professional advisory firms on a more extensive basis. These services were provided in the normal course of operations and were measured at the amount of consideration established and agreed to by the related parties.

Contingency

During 2014-2018 an affiliate of the Company ("the affiliate") received, from the Canada Revenue Agency ("CRA") and provincial tax authorities, tax notices of reassessments and assessments relating to the taxation years 2008-2017. The notices deny the application of non-capital losses, capital losses, scientific research and experimental development ("SR&ED") pool deductions and SR&ED tax credits claimed. As a result additional taxes payable including interest and penalties are approximately $57.1 million. The affiliate has filed notices of objection with the CRA and provincial taxing authorities and has substantially paid the required deposits, which has been recorded in other assets.

The Company, the affiliate and its counsel believe that the filing positions adopted by the affiliate in all years are appropriate and in accordance with the law. The affiliate intends to vigorously defend such positions.

Summary of Selected Quarterly IFRS Results

The following outlines the significant financial performance measures for Glacier for the last eight quarters:

(thousands of dollars) *except share and per share amounts*	Trailing 12 Months	Q1 2019	Q4 2018	Q3 2018	Q2 2018
Revenue	$ 187,776	$ 44,262	$ 48,569	$ 48,717	$ 46,228
EBITDA (1)	$ 8,637	$ 1,961	$ 3,483	$ 1,694	$ 1,499
EBITDA margin (1)	4.6%	4.4%	7.2%	3.5%	3.2%
EBITDA per share (1)	$ 0.08	$ 0.02	$ 0.03	$ 0.02	$ 0.01
Net interest expense, debt	$ 2,782	$ 891	$ 700	$ 616	$ 575
Net (loss) income attributable to common shareholders	$ (774)	$ (1,476)	$ 859	$ (5,096)	$ 4,939
Net (loss) income attributable to common shareholders per share	$ (0.01)	$ (0.01)	$ 0.01	$ (0.05)	$ 0.04
Cash flow from operations	$ 5,196	$ 1,700	$ 2,574	$ 649	$ 273
Cash flow from operations per share	$ 0.05	$ 0.02	$ 0.02	$ 0.01	$ 0.00
Capital expenditures	$ 11,021	$ 4,847	$ 2,063	$ 2,182	$ 1,929
Debt net of cash outstanding before deferred financing charges and other expenses	$ 43,658	$ 43,658	$ 38,882	$ 39,301	$ 39,159
Equity attributable to common shareholders	$ 130,061	$ 130,061	$ 132,033	$ 134,177	$ 138,212
Weighted average shares outstanding, net	109,828,731	109,828,731	109,828,731	109,828,731	109,828,731

	Trailing 12 Months	Q1 2018	Q4 2017	Q3 2017	Q2 2017
Revenue	$ 188,969	$ 44,858	$ 48,690	$ 46,402	$ 49,019
EBITDA (1)	$ 15,750	$ 3,747	$ 6,101	$ 2,920	$ 2,982
EBITDA margin (1)	8.3%	8.4%	12.5%	6.3%	6.1%
EBITDA per share (1)	$ 0.14	$ 0.03	$ 0.06	$ 0.03	$ 0.03
Net interest expense, debt	$ 2,579	$ 572	$ 775	$ 644	$ 588
Net (loss) income attributable to common shareholders	$ (2,786)	$ (48)	$ (5,944)	$ 1,043	$ 2,163
Net (loss) income attributable to common shareholders per share	$ (0.03)	$ 0.00	$ (0.05)	$ 0.01	$ 0.02
Cash flow from operations	$ 11,064	$ 2,510	$ 4,389	$ 1,818	$ 2,347
Cash flow from operations per share	$ 0.10	$ 0.02	$ 0.04	$ 0.02	$ 0.02
Capital expenditures	$ 5,669	$ 1,421	$ 1,607	$ 1,607	$ 1,034
Debt net of cash outstanding before deferred financing charges and other expenses	$ 38,984	$ 38,984	$ 40,265	$ 41,601	$ 44,096
Equity attributable to common shareholders	$ 132,037	$ 132,037	$ 132,653	$ 138,014	$ 133,881
Weighted average shares outstanding, net	109,828,731	109,828,731	109,828,731	109,828,731	109,828,731

Notes:
(1) Refer to "Non-IFRS Measures" and "EBITDA Reconciliation" section for calculation of non-IFRS measures used in this table.

The main factors affecting comparability of results over the last eight quarters are:

- Operating performance of the Company's various business units, including cost-reduction initiatives and general market conditions during the reported periods;
- Decreased revenues during the reported periods due to the structural changes in the community media industry, the cyclical nature of certain of Glacier's businesses, including softness in the energy and mining sectors, as well as the sale of COSSD which was last published by the Company in June 2017;
- The adoption of IFRS 16 *Leases* changes the accounting treatment for leases from operating lease. Previously, leases were off balance sheet with operating costs recorded in general and administrative expenses. Effective January 1, 2019, leases are recorded as right-of-use assets with a related lease liability and are expensed through depreciation and interest expense;

- In April 2018, the Company acquired the remaining 50% of Infomine for $3.6 million and a gain on acquisition of $2.7 million. In the third quarter, the Company reviewed and updated the original purchase price accounting to include a deferred asset as part of the original assets acquired, thereby reducing goodwill and deferred tax recovery by $3.0 million;
- In June 2018, the Company made an adjustment due to an accounting change reflecting the transition in operations to a solely digital, subscription based business. The change coincides with operational changes being made at STP, including the phasing out of the paper versions of the product, and results in revenue being deferred over the term of the subscription contracts;
- In April 2018, The Company acquired a 22.5% equity interest in Village Media Inc., a digital community media operation for $1.5 million;
- In the fourth quarter of 2017, the Company sold the COSSD for a non-cash loss of $6.5 million; and
- In the second quarter of 2017, the Company purchased an additional 5% ownership interest in Weather Innovations for a cash purchase price of $0.3 million.

EBITDA Reconciliation

The following tables reconcile the Company's net income attributable to common shareholders as reported under IFRS to EBITDA.

(thousands of dollars) *except share and per share amounts*	**Three months ended March 31,** **2019**	 2018
EBITDA (1)		
Net loss attributable to common shareholders	**$ (1,476)**	$ (48)
Add (deduct):		
Non-controlling interests	**$ 166**	$ 303
Net interest expense, debt	**$ 891**	$ 572
Interest expense, lease liability	**$ 162**	$ -
Depreciation of property, plant and equipment	**$ 990**	$ 857
Depreciation of right-of-use asset	**$ 876**	$ -
Amortization of intangible assets	**$ 1,897**	$ 1,760
Restructuring and other expenses (net)	**$ 678**	$ 1,983
Share of earnings from joint ventures and associates	**$ (1,321)**	$ (1,131)
Income tax recovery	**$ (902)**	$ (549)
EBITDA (1)	**$ 1,961**	$ 3,747
Weighted average shares outstanding, net	**109,828,731**	109,828,731
Net loss attributable to common shareholders per share	**$ (0.01)**	$ 0.00
EBITDA per share (1)	**$ 0.02**	$ 0.03

Notes:
(1) Refer to "Non-IFRS Measures" section for discussion of non-IFRS measures used in this table.

Summary of Financial Position, Financial Requirements and Liquidity

Glacier generates sufficient cash flow from operations to meet anticipated working capital, capital expenditures, and debt service requirements.

As at March 31, 2019, Glacier had consolidated cash and cash equivalents of $4.2 million, current and long-term debt of $47.8 million before adjustment for deferred financing fees attributable directly to the issuance of long-term debt, and working capital of $13.1 million excluding deferred revenue. The calculation of working capital includes the current portion of lease liabilities in March 31, 2019, but not in the comparative period as the change resulting from IFRS 16 *Leases* did not take effect until January 1, 2019. Glacier's actual cash working capital is greater than reflected by the amounts indicated on the consolidated balance sheet due to deferred revenue relating to renewals and subscriptions that have been paid for by subscribers but not yet delivered; and the costs associated with the fulfillment of this liability are less than the amount indicated in current liabilities.

Capital expenditures were $4.8 million for the period ended March 31, 2019 compared to $1.4 million for the same period in the prior year. The majority of the current year expenditures relate to the purchase of land and building to expand the show site for COFS and software development. Prior year capital expenditures related to software development, hardware costs and leasehold improvements.

Changes in Financial Position

	Three months ended March 31,	
(thousands of dollars)	**2019**	2018
	$	$
Cash generated from (used in)		
Operating activities	**613**	2,310
Investing activities	**(3,332)**	(214)
Financing activities	**3,792**	(2,548)
Increase (decrease) in cash	**1,073**	(452)

The changes in the components of cash flows during 2019 and 2018 are detailed in the consolidated statements of cash flows of the financial statements. The more significant changes are discussed below.

Operating Activities

Glacier generated cash from operations before changes in non-cash operating accounts of $1.7 million compared to $2.5 million for the same period in the prior year as a result of the factors stated under **Revenue**, **Gross Profit**, **General & Administrative Expenses** and **EBITDA**. Cash flow from operations after changes in non-cash working capital was $0.6 million compared to $2.3 million for the same period in the prior year.

Investing Activities

Cash used in investing activities totalled $3.3 million for the period ended March 31, 2019 $0.2 million for the same period in the prior year. Investing activities included $4.8 million of capital expenditures, distributions received of $2.1 million, deposits paid of $0.1 million and other investing activities $0.5 million.

Financing Activities

Cash generated from financing activities was $3.8 million for the period ended March 31, 2019 compared to cash used in financing activities of $2.5 million for the same period in the prior year. The Company had net borrowings of $5.8 million, which included a mortgage on the expanded show site for COFS, distributions to non-controlling interests of $0.1 million, interest paid on long-term debt of $1.0 million, interest paid on lease liabilities of $0.1 million and principal repayment of lease liabilities of $0.8 million.

Outstanding Share Data

As at March 31, 2019 and May 13, 2019, there were 109,828,731 common shares and 1,115,000 share purchase warrants outstanding.

The warrants outstanding allow the holder to purchase one common share per warrant at $4.48 per share. The warrants expire on June 28, 2019, unless extended.

Contractual Agreements

As at March 31, 2019, the Company has agreements with a syndicate of major Canadian banks whereby the lenders provide a revolving loan facility with no required principal repayments during its term. The lenders also provide a term loan facility which requires annual principal payments of $1.5 million, paid quarterly.

The Company has additional long-term debt with a major international bank which is held by Alta Newspaper Group Limited Partnership and is non-recourse to the Company.

In summary, the Company's contractual obligations due over the next five calendar years are as follows:

(thousands of dollars)	Total	2019	2020	2021	2022	2023	Thereafter
	$	$	$	$	$	$	$
Long-term debt	47,439	2,630	42,296	271	290	286	1,666
Undiscounted lease liabilities	13,565	2,859	3,263	2,567	1,727	1,254	1,895
	61,004	5,489	45,559	2,838	2,017	1,540	3,561

Under various financing arrangements with its banks, the Company, its subsidiaries and its affiliates are required to meet certain covenants. The Company, its subsidiaries and its affiliates were fully in compliance with these covenants at March 31, 2019 and 2018.

Financial Instruments

The Company's activities result in exposure to a variety of financial risks, including risks relating to foreign exchange, credit, interest rate, and liquidity risk.

A small portion of the Company's products are sold at prices denominated in U.S. dollars while the majority of its operational costs and expenses are incurred in Canadian dollars. An increase in the value of the Canadian dollar relative to the U.S. dollar reduces the revenue in Canadian dollar terms realized by the Company from sales made in U.S. dollars.

The Company also has foreign operations in the United States, the United Kingdom and Australia, whose earnings are exposed to foreign exchange risk.

The Company sells its products and services to a variety of customers under various payment terms and therefore is exposed to credit risks from its trade receivables from customers. The Company has adopted policies and procedures designed to limit these risks. The carrying amounts for trade receivables are net of applicable allowances for doubtful accounts, which are determined using the expected credit losses ("ECL") model, credit losses are measured as the present value of cash shortfalls from all possible default events, discounted at the effective interest rate of the financial asset. The Company is protected against any concentration of credit risk through its products, broad clientele and geographic diversity.

The Company's interest rate risk mainly arises from the interest rate impact on cash and floating rate debt. The Company actively manages its interest rate risk through ongoing monitoring of market interest rates and the overall economic situation.

The Company is exposed to liquidity risk with respect to trade payables, long-term debt, and contractual obligations. The Company manages liquidity by maintaining adequate cash balances and by having appropriate lines of credit available. In addition, the Company continuously monitors and reviews both actual and forecasted cash flows. Management believes that future cash flow from operations and the availability under existing banking arrangements will be adequate to support its financial liabilities.

The carrying value of certain financial instruments maturing in the short-term approximates their fair value. These financial instruments include cash and cash equivalents, trade and other receivable, trade and other payables, long-term debt and other current and non-current liabilities are classified as measured at amortized cost, and other investments are classified as measured at fair value through other comprehensive income. The fair values calculated approximate the amounts for which the financial instruments could be settled between consenting parties, based on current market data for similar instruments. Consequently, as estimates must be used to determine fair value, they must not be interpreted as being realizable in the event of an immediate settlement of the instruments.

Business Environment and Risks

A comprehensive discussion of Risks and Uncertainties was included in the 2018 Annual Report and can be found on SEDAR. The discussion is applicable for the period ended March 31, 2019.

Disclosure Controls and Internal Controls over Financial Reporting

The Company has established disclosure controls and procedures to ensure that the information disclosed in this MD&A and the related financial statements was properly recorded, processed, summarized and reported to the Audit Committee and Board.

The Company did not make any changes to its internal controls over financial reporting ("ICFR") during the most recent period ended March 31, 2019 which materially affected, or are reasonably likely to materially affect, the Company's ICFR.

Critical Accounting Estimates

The preparation of the annual consolidated financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the amounts recorded in the consolidated financial statements. Management regularly reviews these estimates, including impairment of goodwill and assets with indefinite and finite lives, retirement benefit assets/obligations, income taxes, fair value assessment of business combinations, and useful lives for depreciation and amortization of property, plant and equipment and finite life intangible assets. While it is reasonably possible that circumstances may arise which cause actual results to differ from these estimates, management does not believe it is likely that any such differences will materially affect Glacier's financial position.

Effective January 1, 2019 the Company IFRS 16 *Leases* effective which includes the following critical accounting estimates and judgment for the condensed interim financial statements dated March 31, 2019.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated. The assessment is reviewed if a significant event or significant change in circumstances occurs which affects this assessment and that is within the control of the lease.

INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS
For the three months ended March 31, 2019 and 2018

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended March 31, 2019	2018
	$	$
Revenue (Note 14)	**44,262**	44,858
Expenses before depreciation and amortization		
Direct expenses (Note 15)	**32,790**	31,247
General and administrative (Note 15)	**9,511**	9,864
	1,961	3,747
Net interest expense, debt	**891**	572
Interest expense, lease liabilities (Note 7)	**162**	-
Depreciation and amortization (Note 10)	**3,763**	2,617
Restructuring and other expenses (net) (Note 16)	**678**	1,983
Share of earnings from joint ventures and associates (Note 6)	**(1,321)**	(1,131)
Net loss before income taxes	**(2,212)**	(294)
Income tax recovery (Note 13)	**(902)**	(549)
Net (loss) income for the period	**(1,310)**	255
Net (loss) income attributable to:		
Common shareholders	**(1,476)**	(48)
Non-controlling interests	**166**	303
Net loss per share attributable to common shareholders per share		
Basic and diluted	**(0.01)**	0.00
Weighted average number of common shares		
Basic and diluted	**109,828,731**	109,828,731

See accompanying condensed notes to these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
For the three months ended March 31, 2019 and 2018

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended March 31,	
	2019	2018
	$	$
Net (loss) income for the period	**(1,310)**	255
Other comprehensive (loss) income (net of tax) (Note 12)		
Actuarial loss on defined benefit pension plans [1]	**(257)**	(414)
Currency translation adjustment [2]	**190**	65
Share of other comprehensive loss from joint ventures and associates[1] (Note 6)	**(445)**	(237)
Other comprehensive loss (net of tax)	**(512)**	(586)
Total comprehensive loss	**(1,822)**	(331)
Total comprehensive (loss) income attributable to:		
Common shareholders	**(1,972)**	(616)
Non-controlling interests	**150**	285

[1] Recorded directly in deficit.
[2] Recycles through the consolidated statement of operations in current and future periods.

See accompanying condensed notes to these interim consolidated financial statements

INTERIM CONSOLIDATED BALANCE SHEETS
As at March 31, 2019 and December 31, 2018

(Expressed in thousands of Canadian dollars)
(Unaudited)

	As at	
	March 31, 2019	December 31, 2018
	$	$
Assets		
Current assets		
Cash and cash equivalents	**4,190**	3,117
Trade and other receivables	**36,533**	34,777
Inventory	**2,905**	2,460
Prepaid expenses	**2,283**	2,497
	45,911	42,851
Non-current assets		
Investments in joint ventures and associates (Note 6)	**64,586**	65,836
Other assets (Note 19)	**24,642**	24,712
Right-of-use assets (Note 7)	**11,299**	-
Property, plant and equipment (Note 8)	**30,643**	27,912
Intangible assets (Note 9)	**38,128**	38,808
Goodwill	**35,824**	35,824
Post-employment benefit asset	**1,573**	1,884
Deferred income taxes	**178**	-
Total assets	**252,784**	237,827
Liabilities		
Current liabilities		
Trade and other payables	**24,878**	25,671
Deferred revenue	**14,100**	12,074
Current portion of lease liabilities (Note 7)	**2,867**	-
Current portion of long-term debt (Note 11)	**2,693**	2,992
Other current liabilities	**2,381**	2,552
	46,919	43,289
Non-current liabilities		
Non-current portion of deferred revenue	**966**	947
Lease liabilities (Note 7)	**8,523**	-
Other non-current liabilities	**2,265**	2,645
Long-term debt (Note 11)	**44,746**	38,855
Deferred income taxes	**-**	790
Total liabilities	**103,419**	86,526
Equity		
Share capital	**211,802**	211,802
Contributed surplus	**8,951**	8,951
Accumulated other comprehensive loss	**(355)**	(539)
Deficit	**(90,337)**	(88,181)
Total equity attributable to common shareholders	**130,061**	132,033
Non-controlling interests	**19,304**	19,268
Total equity	**149,365**	151,301
Total liabilities and equity	**252,784**	237,827

Subsequent event (Note 20)

See accompanying condensed notes to these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Three months ended March 31, 2019 and 2018

(Expressed in thousands of Canadian dollars, except share amounts)
(Unaudited)

	Attributable to common shareholders							
	Share capital		Contributed	Accumulated other comprehensive	Retained earnings		Non-controlling	Total
	Shares	Amount	surplus	loss	(deficit)	Total	interest	equity
		$	$	$	$	$	$	$
Balance, December 31, 2018	109,828,731	211,802	8,951	(539)	(88,181)	132,033	19,268	151,301
Net (loss) income for the period	-	-	-	-	(1,476)	(1,476)	166	(1,310)
Other comprehensive (loss) income (net of tax)	-	-	-	184	(680)	(496)	(16)	(512)
Total comprehensive (loss) income for the period	-	-	-	184	(2,156)	(1,972)	150	(1,822)
Non-controlling interest on acquisition	-	-	-	-	-	-	-	-
Distributions to non-controlling interests	-	-	-	-	-	-	(114)	(114)
Balance, March 31, 2019	**109,828,731**	**211,802**	**8,951**	**(355)**	**(90,337)**	**130,061**	**19,304**	**149,365**
Balance, December 31, 2017	109,828,731	211,802	8,951	(125)	(87,975)	132,653	19,642	152,295
Net income (loss) for the period	-	-	-	-	(48)	(48)	303	255
Other comprehensive (loss) income (net of tax)	-	-	-	63	(631)	(568)	(18)	(586)
Total comprehensive (loss) income for the period	-	-	-	63	(679)	(616)	285	(331)
Distributions to non-controlling interests	-	-	-	-	-	-	(264)	(264)
Balance, March 31, 2018	109,828,731	211,802	8,951	(62)	(88,654)	132,037	19,663	151,700

See accompanying condensed notes to these interim consolidated financial statements

GLACIER MEDIA INC.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
Three months ended March 31, 2019 and 2018

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended March 31, 2019	2018
	$	$
Operating activities		
Net (loss) income for the period	**(1,310)**	255
Items not affecting cash		
Depreciation of property, plant and equipment	**990**	857
Depreciation of right-of-use assets	**876**	-
Amortization of intangible assets	**1,897**	1,760
Employee future benefit expense less than of employer contributions	**(43)**	(39)
Deferred income tax recovery	**(873)**	(571)
Interest expense, long term debt	**887**	578
Interest expense, lease liabilities (Note 7)	**162**	-
Share of earnings from joint ventures and associates (Note 6)	**(1,321)**	(1,131)
Other non-cash items	**435**	801
Cash flow from operations before changes in non-cash operating accounts	**1,700**	2,510
Changes in non-cash operating accounts		
Trade and other receivables	**(1,606)**	887
Inventory	**(445)**	(525)
Prepaid expenses	**102**	247
Trade and other payables	**(1,183)**	(3,065)
Deferred revenue	**2,045**	2,256
Cash generated from operating activities	**613**	2,310
Investing activities		
Investments in joint ventures and associates	**-**	(178)
Other investing activities	**(495)**	(704)
Distributions received from joint ventures and associates (Note 6)	**2,088**	2,089
Deposits paid (Note 18)	**(78)**	-
Purchase of property, plant and equipment	**(3,721)**	(350)
Purchase of intangible assets	**(1,126)**	(1,071)
Cash used in investing activities	**(3,332)**	(214)
Financing activities		
Distribution to non-controlling interests	**(114)**	(263)
Interest paid, long-term debt	**(973)**	(555)
Interest paid, lease liabilities (Note 7)	**(105)**	-
Net borrowing (repayment) of long-term debt (Note 11)	**5,827**	(1,730)
Principal payment of lease liabilities (Note 7)	**(843)**	-
Cash generated from (used in) financing activities	**3,792**	(2,548)
Net cash generated from (used in)	**1,073**	(452)
Cash and cash equivalents, beginning of period	**3,117**	3,887
Cash and cash equivalents, end of period	**4,190**	3,435

See accompanying condensed notes to these interim consolidated financial statements

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

1. General business description

Glacier Media Inc. ("Glacier" or the "Company") is an information and marketing solutions company pursuing growth in sectors where the provision of essential information and related services provides high customer utility and value. The related "go to market" strategy is being implemented through two operational areas: content and marketing solutions and data, analytics and intelligence.

The Company is incorporated under the Canada Business Corporations Act, with common shares listed on the Toronto Stock Exchange ("TSX"). The address of its head office is 2188 Yukon Street, Vancouver, British Columbia.

2. Basis of preparation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of consolidated financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 208, which have been prepared in accordance with IFRS as issued by the IASB. Certain prior period comparative figures have been reclassified to conform to the current period's presentation.

These consolidated financial statements have been approved by the Board of Directors for issue on May 13, 2019.

3. Significant accounting policies

The principal accounting policies adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied to the consolidated financial statements for the year ended December 31, 2018, except for those as described in Note 4 related to the application of IFRS 16.

The policies applied are based on the International Financial Reporting Standards issued and outstanding as at the date the board of directors approved these consolidated financial statements.

4. New accounting standards

The Company has applied IFRS 16 *Leases* effective January 1, 2019, using the modified retrospective approach. On adoption of IFRS 16, the Company recognized lease liabilities in relation to leases which had previously been classified as operating leases under IAS 17 *Leases*. These liabilities have been measured at the present value of the remaining leases payments, discounted using the incremental borrowing rate as of January 1, 2019. Under this method, the right-of-use ("ROU") asset is recognized at the date of the initially application at an amount equal to the lease liability, using the company's incremental borrowing rate. Comparative figures are not restated.

The aggregate lease liabilities recognized in the balance sheet as at January 1, 2019 and the Company's operating lease commitment as at December 31, 2018 can be reconciled as follows:

	$
Operating lease commitments at December 31, 2018	14,519
Effect of discounting lease commitments at annual discount rate of 5.7%	(1,654)
Short-term and low value leases	(183)
Leases within joint ventures and associates	(616)
Committed lease not yet commenced	(552)
Lease liabilty recognized as at January 1, 2019	11,514
Current portion of leases liabilities	2,779
Long-term lease liabilities	8,735

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)

4. New accounting standards (continued)

In applying IFRS 16, the Company has implemented the following practical expedients permitted by IFRS 16:

- the Company did not reassess whether a contract is, or contains, a lease; instead the Company elected to apply IFRS 16 to contracts that were previously identified as leases under IAS 17;
- a single discount rate has been applied to all leases given they have similar characteristics; and
- leases with a remaining term of twelve months or less from the date of application have been accounted for as a short-term lease.

Previously, the Company accounted for leases of property, plant and equipment as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight line basis over the term of the lease.

The change in accounting policy created the following items in the balance sheet on January 1, 2019:

	$
Property	11,417
Equipment	97
Right-of-use assets	11,514
Current portion of leases liabilities	2,779
Long-term lease liabilities	8,735

The Company leases office space and office equipment. Contracts are typically made for fixed periods of 1 to 11 years; however, may have extension options as described below. Leases terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security of borrowing purposes.

From January 1, 2019, the Company recognizes leases as a ROU asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and interest expense. The interest expense is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The ROU asset is depreciated over the shorter of the asset’s useful life and the lease term on a straight line basis. The ROU is subject to impairment testing if indicators of impairment exist.

At inception, the Company assess whether a contract is or contains a lease. This assessment involves the exercise of judgment about whether it depends on specified assets, whether the Company obtains substantially all the economic benefits from the ROU asset and whether the Company has the right to direct the use of the asset.

ROU assets and lease liabilities are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments: fixed payments, less any lease incentives receivable and variable payments. When the lease contains an extension that the Company considers reasonably certain to be exercised, the cost of the option is included in the lease payment.

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

4. New accounting standards (continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

ROU assets are measured at cost comprising of the following: the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date less any lease incentives received; any initial direct costs; and restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight line basis as an expense in profit or loss. Short term leases are leases with a minimum term of 12 months or less. Low-value assets are comprised of IT-equipment and other small items of office equipment.

Extension and termination options are included in a number of property and equipment leases across the Company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of the extension and termination options are exercisable only by the company and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated. The assessment is reviewed if a significant event or significant change in circumstances occurs which affects this assessment and that is within the control of the lease.

5. Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimate and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparation of the condensed interim consolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2018, except for significant judgements and key sources of estimation uncertainty related to the application of IFRS 16 as described in Note 4.

6. Investments in joint ventures and associates

The Company's share of the joint ventures and associates consists of the following:

(thousands of dollars)	**As at and for the three months ended March 31, 2019**	As at and for the year ended December 31, 2018
	$	$
Balance, beginning of period	**65,836**	67,684
(Disposition) acquisition of investments in joint ventures and associates	**(38)**	1,678
Share of earnings for the period	**1,321**	5,538
Share of other comprehensive income (loss) (net of tax)	**(445)**	141
Distributions and dividends received and other equity movements	**(2,088)**	(9,205)
Balance, end of period	**64,586**	65,836

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)

7. Right-of-use-assets and lease liabilities

The Company has various right-of-use assets including property and equipment.

(thousands of dollars)	**Cost**	**Accumulated depreciation**	**Carrying amount**
			As at March 31, 2019
	$	**$**	**$**
Property	**12,079**	**(871)**	**11,208**
Equipment	**96**	**(5)**	**91**
	12,175	**(876)**	**11,299**

(thousands of dollars)	Cost	Accumulated depreciation	Carrying amount
			As at December 31, 2018
	$	$	$
Property	-	-	-
Equipment	-	-	-
	-	-	-

The Company's lease liabilities are as follows:

(thousands of dollars)	**March 31, 2019**	December 31, 2018
	$	$
Current portion of lease liabilities	**2,867**	-
Long term lease liabilities	**8,523**	-
	11,390	**-**

Changes to the Company's lease liabilities were as follows:

(thousands of dollars)	**As at and for the three months ended March 31, 2019**	As at and for the year ended December 31, 2018
	$	$
Balance, beginning of period	**11,514**	-
New leases and lease renewals	**662**	-
Interest expense, lease liability	**162**	
Interest paid, lease liability	**(105)**	-
Payment of principal portion of lease liabilities	**(843)**	-
Balance, end of period	**11,390**	-

During the period ended March 31, 2019, the Company had short-term and low value lease expenses of $0.1 million.

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

8. Property, plant and equipment

			As at March 31, 2019
(thousands of dollars)	**Cost**	**Accumulated depreciation and impairment**	**Carrying amount**
	$	**$**	**$**
Land and Land Improvements	**6,761**	**(163)**	**6,598**
Buildings	**13,199**	**(3,587)**	**9,612**
Production equipment	**30,825**	**(21,339)**	**9,486**
Office equipment and leaseholds	**28,995**	**(24,048)**	**4,947**
	79,780	**(49,137)**	**30,643**

			As at December 31, 2018
(thousands of dollars)	Cost	Accumulated depreciation and impairment	Carrying amount
	$	$	$
Land and Land improvements	4,031	(156)	3,875
Buildings	12,646	(3,461)	9,185
Production equipment	30,539	(20,989)	9,550
Office equipment and leaseholds	28,848	(23,546)	5,302
	76,064	(48,152)	27,912

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

9. Intangible assets

The Company has various intangible assets including customer relationships, subscription lists, mastheads, software, websites, copyrights and trademarks. Of these, certain mastheads and trademarks are considered to have an indefinite life and; therefore, are not amortized. Intangible assets are as follows:

(thousands of dollars)	**Cost**	**Accumulated amortization and impairment**	**Carrying amount**
			As at March 31, 2019
	$	**$**	**$**
Indefinite life			
Mastheads and trademarks	**52,673**	**(29,005)**	**23,668**
Finite life			
Copyrights	**10,242**	**(10,222)**	**20**
Customer relationships	**60,309**	**(55,923)**	**4,386**
Subscription lists	**3,841**	**(3,826)**	**15**
Software and websites	**36,379**	**(26,340)**	**10,039**
	163,444	**(125,316)**	**38,128**

(thousands of dollars)	Cost	Accumulated amortization and impairment	Carrying amount
			As at December 31, 2018
	$	$	$
Indefinite life			
Mastheads and trademarks	52,680	(29,005)	23,675
Finite life			
Copyrights	10,242	(10,220)	22
Customer relationships	60,309	(54,822)	5,487
Subscription lists	3,841	(3,802)	39
Software and websites	35,155	(25,570)	9,585
	162,227	(123,419)	38,808

10. Depreciation and amortization

(thousands of dollars)	**Three month ended March 31, 2019**	2018
	$	$
Depreciation of property, plant and equipment	**990**	857
Depreciation of right-of-use assets	**876**	-
Amortization of intangible assets	**1,897**	1,760
Depreciation and amortization	**3,763**	2,617

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

11. Long-term debt

The Company has the following long-term debt outstanding:

(thousands of dollars)	As at **March 31, 2019**	December 31, 2018
	$	$
Current		
ANGLP non-recourse debt	**951**	1,904
Term bank loan	**1,500**	1,000
Mortgages and other loans	**242**	88
	2,693	2,992
Non-current		
Revolving bank loan	**29,325**	34,015
Term bank loan	**13,125**	4,600
Mortgages and other loans	**2,705**	392
Deferred financing costs	**(409)**	(152)
	44,746	38,855
	47,439	41,847

Changes to the Company's debt obligation were as follows:

(thousands of dollars)	**As at and for the three months ended March 31, 2019**	As at and for the year ended December 31, 2018
	$	$
Balance, beginning of period	**41,847**	43,956
Additional borrowings	**7,200**	-
Financing charges (net)	**(235)**	74
Repayment of debt	**(1,373)**	(2,183)
Balance, end of period	**47,439**	41,847

Under various financing arrangements with its banks, the Company is required to meet certain covenants. The Company was in compliance with all covenants at March 31, 2019 and 2018.

During the period ended March 31, 2019, the Company took out a mortgage for $2.5 million on the property acquired to expand the show site in Ontario.

During the period ended March 31, 2019, the Company amended its current banking agreement, extending it to February 28, 2021. The terms of the amendment were similar to those under the previously existing agreement.

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

12. Other comprehensive (loss) income

The components of other comprehensive (loss) income, net of tax, are as follows:

(thousands of dollars)	Accumulated other comprehensive income Cumulative translation adjustment	Retained deficit Actuarial (loss) gain on defined benefit plans	Non-controlling interest	Total other comprehensive loss
	$	$	$	$
Balance, January 1, 2019	(125)	(410)	284	(251)
Actuarial loss on defined benefit plans	-	(249)	(8)	(257)
Cumulative translation adjustment	184	-	6	190
Share of other comprehensive loss from joint ventures and associates	-	(431)	(14)	(445)
Other comprehensive (loss) income for the period	184	(680)	(16)	(512)
Balance, March 31, 2019	**59**	**(1,090)**	**268**	**(763)**
Balance, January 1, 2018	(125)	(410)	284	(251)
Actuarial loss on defined benefit plans	-	(401)	(13)	(414)
Cumulative translation adjustment	63	-	2	65
Share of other comprehensive loss from joint ventures and associates	-	(230)	(7)	(237)
Other comprehensive (loss) income for the period	63	(631)	(18)	(586)
Balance, March 31, 2018	(62)	(1,041)	266	(837)

Other comprehensive income items that do not recycle through the consolidated statement of operations in future periods are recorded directly in retained earnings (deficit).

Other comprehensive income items are reported net of the following tax effects:

(thousands of dollars)	Three months ended March 31, **2019**	2018
	$	$
Income tax effect of:		
Actuarial loss on defined benefit plans	**95**	152
Share of other comprehensive loss from joint ventures and associates	**165**	66

13. Income taxes

Income tax recovery is recognized based on management's estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual rate used for the period ended March 31, 2019 was 27.0% (2018: 27.0%). The components of income tax recovery are shown in the following table:

(thousands of dollars)	Three months ended March 31, **2019**	2018
	$	$
Current tax	**(29)**	22
Deferred tax	**(873)**	(571)
Income tax recovery	**(902)**	(549)

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

14. Revenue by category

(thousands of dollars)	Three months ended March 31, 2019	2018
	$	$
Advertising	**30,586**	32,763
Subscription, data and services	**11,480**	10,201
Commercial printing and other	**2,196**	1,894
	44,262	44,858

15. Expense by nature

(thousands of dollars)	Three months ended March 31, 2019	2018
	$	$
Wages and benefits	**24,100**	22,965
Newsprint, ink and other printing costs	**4,479**	4,512
Delivery costs	**3,381**	3,376
Rent, utilities and other property costs	**1,331**	1,931
Advertising, marketing and other promotion costs	**2,127**	1,903
Third party production and editorial costs	**2,624**	2,732
Legal, bank, insurance and professional services	**1,360**	1,473
Data services, system maintenance, telecommunications and software licences	**1,935**	1,417
Fees, licences and other services	**596**	486
Event costs	**207**	253
Other	**161**	63
	42,301	41,111
Direct expenses	**32,790**	31,247
General and administrative expenses	**9,511**	9,864
	42,301	41,111

16. Restructuring and other expenses (net)

(thousands of dollars)	Three months ended March 31, 2019	2018
	$	$
Restructuring expenses (a)	**671**	1,626
Transaction and transition costs (b)	**24**	149
Other (income) expense (net)	**(17)**	208
	678	1,983

(a) Restructuring expenses

During the period ended March 31, 2019, restructuring expenses of $0.7 million were recognized (2018: $1.6 million). Restructuring expenses include severance costs of $0.5 million (2018: $0.5 million) incurred as the Company restructured and reduced its workforce.

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

16. Restructuring and other expenses (net)

(b) Transaction and transition costs

The Company incurred costs related to its acquisitions and divestitures completed in 2019 and 2018. These costs include both the costs of completing the transactions and the costs of integrating these new operations into the Company. Transaction costs include legal, accounting, due diligence, consulting and general acquisition costs. Transition costs include information technology costs, transitional staffing requirements, service fees paid to the vendor during the transition period and other costs directly related to the operational integration of the newly acquired businesses, as well as any closing costs associated with the closure or divestiture of operations.

17. Related party transactions

During the period ended March 31, 2019, the Company and its affiliates recorded administration, consulting, interest and other expenses of $0.2 million (2018: $0.2 million) from Madison Venture Corporation ("Madison") and its subsidiaries. Madison is a shareholder of the Company and certain of its officers and directors are officers and directors of the Company.

Madison provides strategic, financial, transactional advisory services and administrative services to the Company on an ongoing basis. These services have been provided with the intention of maintaining an efficient and cost effective corporate overhead structure, instead of i) hiring more full-time corporate and administrative staff and thereby increasing fixed overhead costs and ii) retaining outside professional advisory firms on a more extensive basis.

These services were provided in the normal course of operations and were measured at the amount of consideration established and agreed to by the related parties. In addition, Madison was required to be the guarantor of a loan relating to the acquisition of interests in certain community newspapers in 2007.

18. Segment disclosure

The Company and its subsidiaries operate in three distinct operating segments mainly throughout Canada and the United States. These segments are Environmental, Property and Financial Information, Commodities Information and Community Media. Environmental, Property and Financial Information includes the Company's business to business content, marketing solutions and data information products which are environmental, property and financial related. Commodities Information includes the Company's business to business content, marketing solutions and data information products which are agriculture, energy and mining related. The Community Media segment includes the Company's community media assets and related digital and printing operations. The Company's assets are mainly located in Canada, along with some operations in the United States, the United Kingdom and Australia and a joint venture located in the United States.

The Company's chief operating decision makers review operating results and base decisions on information that includes both its directly owned operations and its joint ventures. Therefore, the Company presents its segments based on its adjusted results which include its share of the revenues, expenses, assets and liabilities from its joint ventures. A reconciliation of the segment disclosure to the statements of operations and statements of cash flows is provided below.

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

18. Segment disclosure (continued)

The following segment information is for the periods ended March 31, 2019 and 2018:

For the three months ended March 31, 2019

(thousands of dollars)	**Environmental, Property and Financial Information**	**Commodities Information**	**Community Media**	**Total Operations**	**Differential[1]**	**IFRS Total**
	$	**$**	**$**	**$**	**$**	**$**
Revenue						
Canada	**4,751**	**14,307**	**27,413**	**46,471**	**(5,666)**	**40,805**
United States	**3,183**	**273**	**2,905**	**6,361**	**(2,904)**	**3,457**
	7,934	**14,580**	**30,318**	**52,832**	**(8,570)**	**44,262**
Divisional earnings before interest, taxes, depreciation, and amortization	**1,561**	**3,333**	**1,373**	**6,267**	**(2,547)**	**3,720**
Centralized and corporate expenses				**1,759**	**-**	**1,759**
				4,508	**(2,547)**	**1,961**
Net interest expense, debt and lease liability				**1,081**	**(28)**	**1,053**
Depreciation and amortization				**4,330**	**(567)**	**3,763**
Restructuring and other expense				**694**	**(16)**	**678**
Share of loss (earnings) from joint ventures and associates				**216**	**(1,537)**	**(1,321)**
Income tax recovery				**(463)**	**(439)**	**(902)**
Net loss for the period				**(1,350)**	**40**	**(1,310)**
Depreciation and amortization	**520**	**1,036**	**2,774**	**4,330**	**(567)**	**3,763**
Capital expenditures	**534**	**4,322**	**111**	**4,967**	**(120)**	**4,847**

[1] Represents the differential between the IFRS consolidated results and the consolidated results of the Company including its share of its joint ventures.

For the three months ended March 31, 2018

(thousands of dollars)	Environmental, Property and Financial Information	Commodities Information	Community Media	Total Operations	Differential[1]	IFRS Total
	$	$	$	$	$	$
Revenue						
Canada	4,382	13,923	29,227	47,532	(25,351)	41,607
United States	3,093	158	2,303	5,554	(9,297)	3,251
	7,475	14,081	31,530	53,086	(34,648)	44,858
Divisional earnings before interest, taxes, depreciation, and amortization	1,549	4,503	2,579	8,631	(12,490)	5,922
Centralized and corporate expenses				2,175	-	2,175
				6,456	(12,490)	3,747
Net interest expense, debt and lease liability				612	(40)	572
Depreciation and amortization				3,158	(541)	2,617
Restructuring and other expense				1,977	6	1,983
Share of loss (earnings) from joint ventures and associates				705	(1,836)	(1,131)
Income tax recovery				(108)	(441)	(549)
Net income for the period				112	(9,638)	255
Depreciation and amortization	400	355	2,403	3,158	(541)	2,617
Capital expenditures	753	522	341	1,616	(195)	1,421

[1] Represents the differential between the IFRS consolidated results and the consolidated results of the Company including its share of its joint ventures.

(Amounts in tables expressed in thousands of Canadian dollars, except share and per share amounts)
(Unaudited)

19. Commitments and contingencies

During 2014-2018 an affiliate of the Company ("the affiliate") received, from the Canada Revenue Agency ("CRA") and provincial tax authorities, tax notices of reassessments and assessments relating to the taxation years 2008-2017. The notices deny the application of non-capital losses, capital losses, scientific research and experimental development ("SR&ED") pool deductions and SR&ED tax credits claimed. As a result additional taxes payable including interest and penalties are approximately $57.1 million. The affiliate has filed notices of objection with the CRA and provincial taxing authorities and has substantially paid the required deposits, which has been recorded in other assets.

The Company, the affiliate and its counsel believe that the filing positions adopted by the affiliate in all years are appropriate and in accordance with the law. The affiliate intends to vigorously defend such positions.

20. Subsequent events

(a) On April 5, 2019, the Company completed the sale of its affiliate's interest in Fundata Canada Inc. ("Fundata") for $55.0 million. The sale was completed through its affiliate GVIC Communications Corp. ("GVIC" or the "Company"). $45.0 million of the purchase price was paid at closing and $10.0 million is payable over four years through a vendor take-back ("VTB"). The VTB is structured such that $2.5 million is to be paid each year subject to certain terms and conditions, and any remaining balance of the $10.0 million VTB is to be paid in full by the fourth year.

(b) On April 5, 2019, the Company completed the acquisition of Castanet Media Ltd. ("Castanet"). The purchase price is $22.0 million for the Castanet assets and $2.0 million for the Avenue Radio shares. The acquisition of the Avenue Radio shares is subject to Canadian Radio-television and Telecommunications Commission approval. $18.7 million was paid at closing and the remainder is payable over two years.

The acquisition was funded through bank borrowings and a $10.0 million unsecured loan that was arranged from Madison Venture Corporation in order to provide certainty of funding for the acquisition and allow greater financial flexibility compared to increased senior debt borrowing. The loan has a two-year term with an interest rate of 10%, a $0.2 million commitment fee on signing and a $0.2 million fee on its first anniversary if the loan is still outstanding. In order to be excluded from leverage covenants and provide greater financial flexibility, at the option of the borrower the loan is repayable at maturity by the issuance of 10,980,000 common shares of Glacier at an issue price of $0.751 per share plus the balance of the loan in cash, in the event that the repayment of the loan would create an event of default. Glacier borrowed the funds and loaned the proceeds to GVIC in order to assist the Company with the acquisition. Madison owns 33% of Glacier and is a related party.

Board of Directors

Bruce W. Aunger*	Jonathon J.L. Kennedy	
Sam Grippo	Tim McElvaine*	
S. Christopher Heming	Geoffrey L. Scott*	*Member of the Audit Committee

Officers
Sam Grippo, Chairman
Jonathon J.L. Kennedy, President & Chief Executive Officer
Orest Smysnuik, CA, Chief Financial Officer
Bruce W. Aunger, Secretary

Transfer Agent
Computershare Trust Company of Canada
Toronto, Calgary and Vancouver

Auditors
PricewaterhouseCoopers LLP

Stock Exchange Listing
The Toronto Stock Exchange
Trading symbol: GVC

Investor Relations
Institutional investors, brokers, security analysts and others requiring financial and corporate information about Glacier should visit our website *www.glaciermedia.ca* or contact: Orest Smysnuik, CA, Chief Financial Officer.

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