Condensed Interim Consolidated Financial Statements of

GLACIER MEDIA INC.

For the three and six months ended June 30, 2019

Second 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 August 12, 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 August 12, 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 June 30, 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") applicable to the preparation of consolidated financial statements, including IAS 34, Interim Financial Reporting. 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 have been presented on a basis that includes the Company's share of revenue and expenses from its joint venture and associate operations, which reflects the basis on which management makes its operating decisions and performance evaluation. These measures including joint ventures and associates 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 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.

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 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

The data, analytics and intelligence products provide essential information, analysis and context that customers need for decision making, marketing needs, business opportunity identification and other purposes. The businesses typically have strong recurring revenues, high margins and low capex once sufficient scale is achieved, with higher returns on investment. The Company has focused on a select group of industries that offer large addressable markets, growth opportunities and the ability to leverage its brands.

The content and marketing solutions products and offerings are being evolved and developed to address the changing needs of media - including both audience demand for content and client demand for marketing solutions.

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

Environmental and Property Information

ERIS
ENVIRONMENTAL RISK INFORMATION SERVICES

ERIS (Environmental Risk Information Services) provides environmental risk data and related products for commercial real estate properties across North America. This information is used by environmental consultants, CRE brokers, financial institutions and insurance companies to identify and assess environmental risks around commercial real estate transactions. ERIS is the #1 provider of CRE environmental data in the Canadian market and is #2 in the United States, where it launched in 2015.

STP

STP (Specialty Technical Publishers) produces technical resource and audit guides for use in environmental health and safety audits. Multi-national companies license STP's content for use throughout the United States and across more than forty countries worldwide.

REW is the leading residential real estate listings and property information portal in British Columbia and is expanding in Ontario and other parts of Canada. The REW marketplace provides consumers with key real estate information and insights (e.g. school catchment areas, assessed values, past sales prices) in order to make better informed decisions about their home. Agents, new home developers and third-party providers (e.g. mortgage brokers, home insurance companies) use a variety of REW advertising and subscription products to market their offerings to home buyers and sellers.

Commodity Information

Glacier FarmMedia ("GFM") is Canada's leading provider of agricultural information and content. GFM serves the Canadian grower and agricultural industry with digital media, listings, publications, exhibitions and weather and commodities marketing subscriptions. Well-known brands operated by GFM include the Western Producer, Country Guide, Farmtario, Canada's Outdoor Farm Show, Ag In Motion, AgDealer, Global Auction Guide, MarketsFarm and Weather Innovations Network.

Glacier's Resource Innovation Group ("RIG") serves the energy and mining industries and associated suppliers and financial backers with a wide variety of intelligence offerings. With significant operations in Vancouver, Calgary, Toronto, India and London, RIG produces databases, conferences, digital media and e-learning programs for the energy and mining sectors. Key brands include the Daily Oil Bulletin, CanOils, Evaluate Energy, the Northern Miner, the Canadian Mining Journal, MiningIntelligence, edumine, Mining.com and the Canadian Mining Symposium.

Community Media

The Glacier Community Media Group operates local newspapers and digital media operations in over 60 local markets primarily in Western Canada.

Glacier Media Digital ("GMD") operations include local news, classifieds and general community information websites; digital marketing services; and specialty products and services. Some of the GMD brands include: Castanet Media, Vancouver is Awesome, a partial interest in Village Media, Eastward Media (targeting the Asian market) and many others.

Glacier Media's digital operations and network now reach over 11 million monthly unique visitors with over 125 million monthly page views.

The newspaper group operations reach over 2 million readers in B.C., Alberta, Saskatchewan, and Manitoba, with partial interests in the U.S. Its brands include the Victoria Times-Colonist, Vancouver Courier, North Shore News, Tri-Cities News, Burnaby Now, Richmond News, Prince George Citizen, Yorkton This Week and many others.

The Community Media Group is evolving its platform of products and services to better serve its audience and client base by providing 1) valuable and interesting digital content that meets its local readers' demands and 2) advertising and other marketing services solutions that meet its clients' marketing demands. The Company's strategy is to publish newspapers as they still provide value and cash flow, while expanding its offerings of digital products and marketing services across the communities it serves in order to properly fulfill its clients' needs, which are becoming more comprehensive and complex as digital media evolves.

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

Operating Performance Highlights

The following results are presented to include the Company's proportionate share of its joint venture and associate operations; this is the basis on which management bases its operating decisions and performance. These reported results have been reconciled to the IFRS results below.

	Three months ending June 30,			
	2019	2018	2019	2018
(thousands of dollars)	Revenue	Revenue	EBITDA	EBITDA
	$	$	$	$
Environmental, Property and Financial Information	6,169	6,918	1,058	682
Commodity Information	11,092	12,077	510	951
Community Media	39,359	41,106	4,442	5,418
Centralized and corporate costs	-	-	(1,914)	(2,151)
Total including joint ventures and associates (1)	56,620	60,101	4,096	4,900
Joint ventures and associates	(10,947)	(13,873)	(1,812)	(3,401)
Total IFRS	45,673	46,228	2,284	1,499

	Six months ending June 30,			
	2019	2018	2019	2018
(thousands of dollars)	Revenue	Revenue	EBITDA	EBITDA
	$	$	$	$
Environmental, Property and Financial Information	14,102	14,393	2,620	2,282
Commodity Information	25,672	26,158	3,843	5,454
Community Media	74,350	77,819	6,201	7,748
Centralized and corporate costs	-	-	(3,673)	(4,326)
Total including joint ventures and associates (1)	114,124	118,370	8,991	11,158
Joint ventures and associates	(24,189)	(27,284)	(4,746)	(5,912)
Total IFRS	89,935	91,086	4,245	5,246

	Three months ending June 30,		Six month ending June 30,	
(thousands of dollars, except share and per share amounts)	2019	2018	2019	2018
EBITDA including joint ventures and associates (1)	$ 4,096	$ 4,900	$ 8,991	$ 11,158
EBITDA including joint ventures and associates per share (1)	$ 0.04	$ 0.04	$ 0.08	$ 0.10
EBITDA	$ 2,284	$ 1,499	$ 4,245	$ 5,246
EBITDA per share	$ 0.02	$ 0.01	$ 0.04	$ 0.05
Capital expenditures	$ 1,701	$ 1,929	$ 6,548	$ 3,350
Debt net of cash outstanding before deferred financing charges and other expenses	$ 22,730	$ 39,159	$ 22,730	$ 39,159
Weighted average shares outstanding, net	109,828,731	109,828,731	109,828,731	109,828,731

(1) Certain results are presented to include the Company's proportionate share of its joint venture and associate operations, as this is the basis on which management bases its operating decisions and performance. The Company's joint ventures and associates include Continental Newspapers Ltd, Great West Newspapers Limited Partnership, the Victoria Times-Colonist, Rhode Island Suburban Newspapers, Inc., Village Media Inc. and Borden Bridge Development Corporation.

Significant Developments in 2019 and Outlook

During the quarter, the Company acquired the assets of Castanet Media Ltd. ("Castanet") and the related Avenue Radio shares. 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. $19.0 million was paid at closing with the remainder payable over two years. The acquisition of the radio station shares is subject to Canadian Radio-television and Telecommunications Commission approval. The acquisition of Castanet bolsters the Company's digital media presence.

During the quarter, the Company sold its interest in Fundata for a sale price of $55.0 million. $45.0 million of the sale price was received at closing and $10.0 million is receivable over four years through a vendor take-back. As a result of the sale, the Company was able to repay the term loan and a portion of the revolving loan, significantly reducing overall debt levels. The purchase price highlights the value of the data, analytics and intelligence products and services the Company owns and is focused on. These products and services provide high value to their users through the nature of their data and functionality, and fulfill a high level of need. They also generate strong recurring revenue and cash flows.

During the quarter, the Company borrowed $10.0 million through an unsecured loan that was arranged from Madison Venture Corporation ("Madison") 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. During the quarter, the Company repaid $6.0 million of the unsecured loan, with $4.0 million outstanding at June 30, 2019. Subsequent to June 30, 2019, the Company repaid the remaining $4.0 million. The unsecured loan was repaid and replaced with senior debt to reduce the overall cost of borrowing.

Subsequent to June 30, 2019, the Company completed a private placement of 15,384,615 common shares at a price of $0.65 per share for gross proceeds of $10.0 million. The net proceeds of the Private Placement were initially used to reduce the overall debt level, but ultimately shall be used for investment purposes and general working capital needs. The Private Placement will allow the Company to pursue strategic investments as they arise to increase its scale, competitiveness and operating strength while maintaining lower debt levels.

Glacier continues to make progress evolving the business in identified key areas within business information and digital media. In the second quarter, this evolution was advanced through strategic transactions detailed below.

In the second quarter of the prior year, revenue and EBITDA at STP were both reduced by $0.9 million and $1.1 million, respectively, due to a change in accounting reflecting the transition in operations to a solely digital subscription-based business.

Softness in print advertising revenue, affecting community media and the agricultural print publications, continues to be a challenge for the Company. Declines in print revenue are being partially mitigated by revenue growth in key areas including ERIS and REW, as well as increases in community media digital revenues. The overall revenue declines in print publications have also had an impact on EBITDA for the quarter.

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, looking for new investment opportunity and reducing debt further in order to maintain financial flexibility and be in a strong position to exploit opportunities should they arise.

Operational Performance

Consolidated revenue was $45.7 million for the period, down $0.6 million or 1.2% from the same period in the prior year. Consolidated EBITDA was $2.3 million for the period, up $0.8 million or 52.4% from the same period in the prior year.

Including the Company's share of joint ventures and associates, revenue was $56.6 million, down $3.5 million or 5.8% and EBITDA was $4.1 million, down $0.8 million or 16.4%. The decreases were partially the result of the sale of Fundata in April 2019.

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.

Revenue has also been positively impacted by the acquisition of Castanet. Digital focused businesses typically have higher margins and higher valuations than print revenue businesses once sufficient scale is achieved, so the Company can achieve higher value with lower consolidated revenue going forward. However, continued investment in product development and softness in print media community advertising are still constraining EBITDA growth.

ERIS and REW continued to generate strong revenue growth. The mining group and the agricultural group experienced a weak quarter due to soft industry performance.

The digital community media group's revenue and profitability grew as well, as progress continues to be made in the growth of the community websites, digital marketing services and specialty products & services. The acquisition of Castanet has also increased the Company's digital presence in British Columbia.

During the second quarter of the prior year, revenue and EBITDA at STP were both reduced by $0.9 million and $1.1 million, respectively, due to a change in accounting reflecting the transition in operations to a solely digital subscription-based business.

The increase in EBITDA in the quarter was the result of the acquisition of Castanet, lease accounting changes, the prior year accounting change and net operating performance. While EBITDA for a number of the operations grew, EBITDA was impacted by softness in print community media, agricultural advertising and 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 June 30, 2019, senior debt decreased to $20.0 million. The proceeds from the sale of Fundata were used to extinguish the term loan and reduce the revolving loan. A net $4.0 million of unsecured Madison debt was outstanding at June 30, 2019, the balance of which was paid off in July 2019. The unsecured loan was repaid and replaced with senior debt to lower the overall cost of borrowing. Increased capital investments were made in the Company's key growth initiatives, particularly ERIS, REW and the agricultural shows. The Company's consolidated non-recourse, non-mortgage debt 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 to the Company in the future.

Revenue

Glacier's consolidated revenue for the period ended June 30, 2019 was $45.7 million compared to $46.2 million for the same period in the prior year.

Environmental and Property Information

The Environmental and Property Information group generated revenue of $6.2 million for the period ended June 30, 2019, as compared to $4.5 million 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 market; however, growth was bolstered by the market in Toronto which continues to strengthen.

STP revenue was reduced in the second quarter of the prior year by $0.9 million due to a change in accounting reflecting the transition in operations to a solely digital subscription-based business.

Commodity Information

The Commodity Information group generated revenue of $11.1 million for the period ended June 30, 2019, as compared to $12.1 million for the same period in the prior year.

Conditions in the agricultural market continue to be soft amid uncertainty from trade disputes and the consolidation of major crop input companies. These adverse conditions weighed on second 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.

Community Media

	Three months ending June 30,			
	2019	2018	2019	2018
(thousands of dollars)	Revenue	Revenue	EBITDA	EBITDA
	$	$	$	$
Community media including joint ventures and associates	39,359	41,106	4,442	5,418
Joint ventures and associates	(10,947)	(11,479)	(1,812)	(2,145)
Community Media IFRS	28,412	29,627	2,630	3,273

	Six months ending June 30,			
	2019	2018	2019	2018
(thousands of dollars)	Revenue	Revenue	EBITDA	EBITDA
	$	$	$	$
Community media including joint ventures and associates	74,350	77,819	6,201	7,748
Joint ventures and associates	(21,707)	(22,531)	(3,412)	(3,366)
Community Media IFRS	52,643	55,288	2,789	4,382

The Community Media Group generated $28.4 million of revenue for the period ended June 30, 2019, as compared to $29.6 million for the same period in the prior year.

Including the Company's share of joint ventures and associates, community media revenue was $39.4 million, as compared to $41.1 million 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. Additionally, the acquisition of Castanet will have a positive effect on digital revenue growth going forward.

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 June 30, 2019 was $12.5 million compared to $12.2 million for the same period in the prior year. The increase in gross profit is largely attributable to the STP change in accounting in June 2018 and the acquisition of Castanet.

Gross profit as a percentage of revenues ("gross profit margin") for the period ended June 30, 2019 was 27.4% as compared to 26.3% for the same period in the prior year.

General & Administrative Expenses

Glacier's consolidated general and administrative expenses were $10.2 million for the period ended June 30, 2019 down from $10.7 million 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 $2.3 million for the period ended June 30, 2019 as compared to $1.5 million 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 June 30, 2019 was $0.8 million as compared to $0.6 million for the same period in the prior year. The debt mix changed in the quarter as the senior debt was reduced overall; however, this was offset by a higher interest unsecured loan. Subsequent to quarter end, the unsecured loan was repaid and replaced with senior debt to reduce the overall cost of borrowing.

Interest Expense, Lease Liabilities

Interest expense relating to lease liabilities for the period ended June 30, 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 June 30, 2019 decreased $0.5 million as compared to the same period for the prior year. Certain intangible assets became fully amortized at the end of the first quarter. Depreciation of right-of-use assets for the period ended June 30, 2019 was $0.8 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*.

Net gain on disposition or acquisition

The Company recognized a $47.7 million gain on sale, primarily relating to the sale of Fundata during the period ended June 30, 2019. A $2.7 million gain on acquisition of the remaining 50% of Infomine was recognized for the period ended June 30, 2018.

Restructuring and Other Expenses (Net)

Restructuring and other expenses (net) for the period ended June 30, 2019 were $1.9 million compared to $1.1 million for the same period in the prior year. These expenses include restructuring costs (from the closure or divestiture of operations, or part of operations; including severance, redundant office costs and other direct closure costs during transition periods), 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 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, decreased $0.9 million as compared to the same period for the same period in the prior year. The Company's share of Fundata's results were included in the share of earnings from joint ventures and associates up to March 31, 2019. In April 2019, the Company sold its interest in Fundata.

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

(thousands of dollars)	As at June 30, 2019	December 31, 2018
	$	$
Assets	**68,673**	79,641
Liabilities	**16,489**	23,521
Net assets	**52,184**	56,120
	For the three months ended June 30, 2019	June 30, 2018
	$	$
Revenues	**10,947**	13,873
EBITDA	**1,812**	3,401
Net income for the period	**1,369**	2,315
	For the six months ended June 30, 2019	June 30, 2018
	$	$
Revenues	**24,189**	27,284
EBITDA	**4,746**	5,912
Net income for the period	**2,690**	3,446

Net Income Attributable to Common Shareholders

Net income attributable to common shareholders increased by $35.1 million compared to the same period in the prior year. The increase resulted from i) higher operating results of $0.8 million and ii) a higher gain on disposition or acquisition of $45.1 million (which is primarily a $47.6 million gain on the sale of Fundata as compared to a $2.7 million gain on acquisition of the remaining 50% of Infomine). This was partially offset by i) higher interest expense from debt of $0.3 million, ii) higher interest expense from lease liabilities of $0.2 million, iii) higher depreciation and amortization of $0.3 million (relating to the addition of ROU depreciation), iv) higher restructuring costs of $0.8 million, v) lower share of earnings from joint ventures and associates of $0.9 million (partially due to the sale of Fundata), vi) higher income tax expense of $6.6 million, and vii) higher non-controlling interest of $1.6 million.

Other Comprehensive Loss (net of tax)

For the period ended June 30, 2019, Glacier recognized other comprehensive loss (net of tax) of $1.3 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 $1.4 million (before changes in non-cash operating accounts) for the period ended June 30, 2019 as compared to $0.3 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 $1.7 million for the period ended June 30, 2019 compared to $1.9 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, leasehold improvements 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

In April 2019, 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.

In May 2019, the Company repaid $6.0 million of the unsecured loan. The balance outstanding as at June 30, 2019 was $4.0 million. Subsequent to June 30, 2019, the Company repaid the remaining $4.0 million outstanding of the unsecured loan to Madison. The unsecured loan was repaid and replaced with senior debt to lower the overall cost of borrowing. The interest paid to Madison on the unsecured loan during the period ended June 30, 2019 was $0.2 million.

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 $57.7 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. The Company and its affiliate expect to ultimately be successful in its objection.

Selected Second Quarter 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 June 30, 2019 and 2018:

(thousands of dollars)	Three months ended June 30,		Six months ended June 30,	
except share and per share amounts	2019	2018	2019	2018
Revenue	$ 45,673	$ 46,228	$ 89,935	$ 91,086
Gross profit [2]	$ 12,507	$ 12,172	$ 23,979	$ 25,783
Gross margin	27.4%	26.3%	26.7%	28.3%
EBITDA [1]	$ 2,284	$ 1,499	$ 4,245	$ 5,246
EBITDA margin [1]	5.0%	3.2%	4.7%	5.8%
EBITDA per share [1]	$ 0.02	$ 0.01	$ 0.04	$ 0.05
Net interest expense, debt	$ 834	$ 575	$ 1,725	$ 1,147
Net income attributable to common shareholders	$ 40,057	$ 4,939	$ 38,581	$ 4,891
Net income attributable to common shareholders per share	$ 0.36	$ 0.04	$ 0.35	$ 0.04
Cash flow from operations	$ 1,370	$ 273	$ 3,070	$ 2,783
Cash flow from operations per share	$ 0.01	$ 0.00	$ 0.03	$ 0.03
Capital expenditures	$ 1,701	$ 1,929	$ 6,548	$ 3,350
Total assets	$ 276,431	$ 245,747	$ 276,431	$ 245,747
Total non-current financial liabilities	$ 38,895	$ 39,690	$ 38,895	$ 39,690
Debt net of cash outstanding before deferred financing charges and other expenses	$ 22,730	$ 39,159	$ 22,730	$ 39,159
Equity attributable to common shareholders	$ 168,891	$ 138,212	$ 168,891	$ 138,212
Weighted average shares outstanding, net	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.
(2) Gross profit for these purposes excludes depreciation and amortization.

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

- Operating performance of the Company's various business units and general market conditions during the reported years;
- The acquisition of Castanet Media in April 2019, for a purchase price of $22.0 million. $19.0 million was paid up front with the remaining payable over two years. The acquisition resulted in goodwill of $7.8 million, mastheads of $7.0 million and customer relationships of $5.2 million;
- The sale of Fundata in April 2019, resulting in a gain on sale of $47.6 million. The sale price was $55.0 million, $45.0 million cash was received up front with the remaining $10.0 million receivable over four 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 June 30, 2019 of $0.8 million. Interest of $0.2 million on the lease liabilities and depreciation of $0.8 million of the right-of-use assets are charged to the statement of operations below EBITDA for the period ended June 30, 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 $12.5 million, current liabilities increased by $3.1 million and non-current liabilities increased by $9.6 million as at June 30, 2019;

- 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 the remaining 50% of Infomine; which resulted in the consolidation of Infomine's results in the period ended June 30, 2018 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.

Summary of Quarterly 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	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Revenue	$ 187,221	$ 45,673	$ 44,262	$ 48,569	$ 48,717
EBITDA (1)	$ 9,422	$ 2,284	$ 1,961	$ 3,483	$ 1,694
EBITDA margin (1)	5.0%	5.0%	4.4%	7.2%	3.5%
EBITDA per share (1)	$ 0.09	$ 0.02	$ 0.02	$ 0.03	$ 0.02
Net interest expense, debt	$ 3,041	$ 834	$ 891	$ 700	$ 616
Net income (loss) attributable to common shareholders	$ 34,344	$ 40,057	$ (1,476)	$ 859	$ (5,096)
Net income (loss) attributable to common shareholders per share	$ 0.31	$ 0.36	$ (0.01)	$ 0.01	$ (0.05)
Cash flow from operations	$ 6,293	$ 1,370	$ 1,700	$ 2,574	$ 649
Cash flow from operations per share	$ 0.06	$ 0.01	$ 0.02	$ 0.02	$ 0.01
Capital expenditures	$ 10,793	$ 1,701	$ 4,847	$ 2,063	$ 2,182
Debt net of cash outstanding before deferred financing charges and other expenses	$ 22,730	$ 22,730	$ 43,658	$ 38,882	$ 39,301
Equity attributable to common shareholders	$ 168,891	$ 168,891	$ 130,061	$ 132,033	$ 134,177
Weighted average shares outstanding, net	109,828,731	109,828,731	109,828,731	109,828,731	109,828,731

	Trailing 12 Months	Q2 2018	Q1 2018	Q4 2017	Q3 2017
Revenue	$ 186,178	$ 46,228	$ 44,858	$ 48,690	$ 46,402
EBITDA (1)	$ 14,267	$ 1,499	$ 3,747	$ 6,101	$ 2,920
EBITDA margin (1)	7.7%	3.2%	8.4%	12.5%	6.3%
EBITDA per share (1)	$ 0.13	$ 0.01	$ 0.03	$ 0.06	$ 0.03
Net interest expense, debt	$ 2,566	$ 575	$ 572	$ 775	$ 644
Net income (loss) attributable to common shareholders	$ (10)	$ 4,939	$ (48)	$ (5,944)	$ 1,043
Net income (loss) attributable to common shareholders per share	$ 0.00	$ 0.04	$ 0.00	$ (0.05)	$ 0.01
Cash flow from operations	$ 8,990	$ 273	$ 2,510	$ 4,389	$ 1,818
Cash flow from operations per share	$ 0.08	$ 0.00	$ 0.02	$ 0.04	$ 0.02
Capital expenditures	$ 6,564	$ 1,929	$ 1,421	$ 1,607	$ 1,607
Debt net of cash outstanding before deferred financing charges and other expenses	$ 39,159	$ 39,159	$ 38,984	$ 40,265	$ 41,601
Equity attributable to common shareholders	$ 138,212	$ 138,212	$ 132,037	$ 132,653	$ 138,014
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;

- The acquisition of Castanet Media in April 2019, for a purchase price of $22.0 million. $19.0 million was paid up front with the remaining payable over two years. The acquisition resulted in goodwill of $7.8 million, mastheads of $7.0 million and customer relationships of $5.2 million;

- The sale of Fundata in April 2019, resulting in a gain on sale of $47.6 million. The sale price was $55.0 million, $45.0 million cash was received up front with the remaining $10.0 million receivable over four years;

- 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; and

- In the fourth quarter of 2017, the Company sold the COSSD for a non-cash loss of $6.5 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 June 30, **2019**	Three months ended June 30, 2018	Six months ended June 30, **2019**	Six months ended June 30, 2018
EBITDA (1)				
Net income attributable to common shareholders	**$ 40,057**	$ 4,939	**$ 38,581**	$ 4,891
Add (deduct):				
Non-controlling interests	**$ 1,978**	$ 372	**$ 2,144**	$ 675
Net interest expense, debt	**$ 834**	$ 575	**$ 1,725**	$ 1,147
Interest expense, lease liability	**$ 172**	$ -	**$ 334**	$ -
Depreciation and amortization	**$ 3,335**	$ 3,009	**$ 7,098**	$ 5,626
Net gain on disposition or acquisition	**$ (47,713)**	$ (2,653)	**$ (47,713)**	$ (2,653)
Restructuring and other expenses (net)	**$ 1,942**	$ 1,133	**$ 2,620**	$ 3,116
Share of earnings from joint ventures and associates	**$ (1,369)**	$ (2,315)	**$ (2,690)**	$ (3,446)
Income tax recovery	**$ 3,048**	$ (3,561)	**$ 2,146**	$ (4,110)
EBITDA (1)	**$ 2,284**	$ 1,499	**$ 4,245**	$ 5,246
Weighted average shares outstanding, net	**109,828,731**	109,828,731	**109,828,731**	109,828,731
Net income attributable to common shareholders per share	**$ 0.36**	$ 0.04	**$ 0.35**	$ 0.04
EBITDA per share (1)	**$ 0.02**	$ 0.01	**$ 0.04**	$ 0.05

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 June 30, 2019, Glacier had consolidated cash and cash equivalents of $4.4 million, current and long-term debt of $27.2 million before adjustment for deferred financing fees attributable directly to the issuance of long-term debt, and working capital of $19.5 million excluding deferred revenue. The calculation of working capital includes the current portion of lease liabilities in June 30, 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 $1.7 million for the period ended June 30, 2019 compared to $1.9 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, leasehold improvements and software development. Prior year capital expenditures related to software development, hardware costs and leasehold improvements.

Changes in Financial Position

	Three months ended June 30,		Six months ended June 30,	
(thousands of dollars)	**2019**	2018	**2019**	2018
	$	$	**$**	$
Cash generated from (used in)				
Operating activities	**(984)**	1,969	**(371)**	4,279
Investing activities	**23,917**	(1,189)	**20,585**	(1,403)
Financing activities	**(22,696)**	(1,927)	**(18,904)**	(4,475)
Increase (decrease) in cash	**237**	(1,147)	**1,310**	(1,599)

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 $1.4 million compared to $0.3 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 used in operations after changes in non-cash working capital was $1.0 million compared to cash flow generated from of $2.0 million for the same period in the prior year.

Investing Activities

Cash generated from investing activities totalled $23.9 million for the period ended June 30, 2019 as compared to cash used of $1.2 million for the same period in the prior year. Investing activities included $45.2 million of proceeds from disposal of assets (primarily from the sale of Fundata), $19.0 million from the acquisition of Castanet, $1.7 million of capital expenditures, distributions received of $0.7 million, deposits paid of $0.8 million and other investing activities $0.4 million.

Financing Activities

Cash used in financing activities was $22.7 million for the period ended June 30, 2019 compared to $1.9 million for the same period in the prior year. The Company had borrowings of $10.0 million from Madison, net repayments of $30.7 million (including the $6.0 million repayment of the Madison loan), distributions to non-controlling interests of $0.2 million, interest paid on long-term debt of $0.9 million, interest paid on lease liabilities of $0.2 million and principal repayment of lease liabilities of $0.7 million.

Outstanding Share Data

As at June 30, 2019 there were 109,828,731 common shares and 1,115,000 share purchase warrants outstanding.

As at August 12, 2019, there were 125,213,346 common shares and 1,115,000 share purchase warrants outstanding. On July 19, 2019, the Company completed private placement of 15,384,615 common shares at a price of $0.65 per share for gross proceeds of $10.0 million

The warrants outstanding allow the holder to purchase one common share per warrant at $4.48 per share. The warrants expire on June 28, 2029, unless extended. The warrants were extended during the quarter ended June 30, 2019; previously they were set to expire on June 28, 2019.

Contractual Agreements

As at June 30, 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. During the period, the term loan was repaid in full.

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.

During the period ended June 30, 2019, the Company entered into a $10.0 million unsecured loan that was arranged from Madison Venture Corporation and repaid $6.0 million of the unsecured loan to Madison. Subsequent to June 30, 2019, the Company repaid the remaining $4.0 million outstanding of the unsecured loan to Madison. The unsecured loan was repaid and replaced with senior debt to lower the overall cost of borrowing.

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	26,811	441	23,858	271	290	286	1,665
Undiscounted lease liabilities	12,612	1,906	3,263	2,567	1,727	1,254	1,895
	39,423	2,347	27,121	2,838	2,017	1,540	3,560

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 June 30, 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 June 30, 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 June 30, 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 adopted IFRS 16 *Leases*, applying certain practical expedients. The application of the new standard includes the following critical accounting estimates and judgment for the condensed interim financial statements dated June 30, 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.

GLACIER MEDIA INC.

INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS
For the three and six months ended June 30, 2019 and 2018

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	**2019**	2018
	$	$	**$**	$
Revenue (Note 16)	**45,673**	46,228	**89,935**	91,086
Expenses before depreciation and amortization				
Direct expenses (Note 17)	**33,166**	34,056	**65,956**	65,303
General and administrative (Note 17)	**10,223**	10,673	**19,734**	20,537
	2,284	1,499	**4,245**	5,246
Net interest expense, debt	**834**	575	**1,725**	1,147
Interest expense, lease liabilities (Note 8)	**172**	-	**334**	-
Depreciation and amortization (Note 11)	**3,335**	3,009	**7,098**	5,626
Net gain on disposition or acquisition (Note 6)	**(47,713)**	(2,653)	**(47,713)**	(2,653)
Restructuring and other expenses (net) (Note 18)	**1,942**	1,133	**2,620**	3,116
Share of earnings from joint ventures and associates (Note 7)	**(1,369)**	(2,315)	**(2,690)**	(3,446)
Net income before income taxes	**45,083**	1,750	**42,871**	1,456
Income tax expense (recovery) (Note 15)	**3,048**	(3,561)	**2,146**	(4,110)
Net income for the period	**42,035**	5,311	**40,725**	5,566
Net income attributable to:				
Common shareholders	**40,057**	4,939	**38,581**	4,891
Non-controlling interests	**1,978**	372	**2,144**	675
Net income per share attributable to common shareholders per share				
Basic and diluted	**0.36**	0.04	**0.35**	0.04
Weighted average number of common shares				
Basic and diluted	**109,828,731**	109,828,731	**109,828,731**	109,828,731

See accompanying condensed notes to these interim consolidated financial statements

GLACIER MEDIA INC.

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three and six months ended June 30, 2019 and 2018

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	**2019**	2018
	$	$	**$**	$
Net income for the period	**42,035**	5,311	**40,725**	5,566
Other comprehensive (loss) income (net of tax) (Note 14)				
Actuarial loss on defined benefit pension plans [(1)]	**(690)**	879	**(947)**	465
Currency translation adjustment [(2)]	**(209)**	50	**(19)**	115
Share of other comprehensive (loss) income from joint ventures and associates[(1)] (Note 7)	**(360)**	346	**(805)**	109
Other comprehensive (loss) income (net of tax)	**(1,259)**	1,275	**(1,771)**	689
Total comprehensive income	**40,776**	6,586	**38,954**	6,255
Total comprehensive income attributable to:				
Common shareholders	**38,830**	6,175	**36,858**	5,559
Non-controlling interests	**1,946**	411	**2,096**	696

[(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

GLACIER MEDIA INC.

INTERIM CONSOLIDATED BALANCE SHEETS
As at June 30, 2019 and December 31, 2018

(Expressed in thousands of Canadian dollars)
(Unaudited)

	As at	
	June 30, 2019	December 31, 2018
	$	$
Assets		
Current assets		
Cash and cash equivalents	**4,427**	3,117
Trade and other receivables (Note 6)	**38,145**	34,777
Inventory	**3,697**	2,460
Prepaid expenses	**2,401**	2,497
	48,670	42,851
Non-current assets		
Investments in joint ventures and associates (Note 7)	**58,762**	65,836
Other assets (Note 6 and 21)	**31,849**	24,712
Right-of-use assets (Note 8)	**12,535**	-
Property, plant and equipment (Note 9)	**30,363**	27,912
Intangible assets (Note 10)	**49,893**	38,808
Goodwill (Note 12)	**43,668**	35,824
Post-employment benefit asset	**691**	1,884
Total assets	**276,431**	237,827
Liabilities		
Current liabilities		
Trade and other payables	**21,731**	25,671
Deferred revenue	**15,177**	12,074
Current portion of lease liabilities (Note 8)	**3,117**	-
Current portion of long-term debt (Note 13)	**726**	2,992
Other current liabilities	**3,590**	2,552
	44,341	43,289
Non-current liabilities		
Non-current portion of deferred revenue	**903**	947
Lease liabilities (Note 8)	**9,618**	-
Other non-current liabilities	**3,192**	2,645
Long-term debt (Note 13)	**26,085**	38,855
Deferred income taxes	**2,339**	790
Total liabilities	**86,478**	86,526
Equity		
Share capital	**211,802**	211,802
Contributed surplus	**8,951**	8,951
Accumulated other comprehensive loss (Note 14)	**(564)**	(539)
Deficit	**(51,298)**	(88,181)
Total equity attributable to common shareholders	**168,891**	132,033
Non-controlling interests	**21,062**	19,268
Total equity	**189,953**	151,301
Total liabilities and equity	**276,431**	237,827

Subsequent event (Note 22)

See accompanying condensed notes to these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the three and six months ended June 30, 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 income for the period	-	-	-	-	38,581	38,581	2,144	40,725
Other comprehensive loss (net of tax)	-	-	-	(25)	(1,698)	(1,723)	(48)	(1,771)
Total comprehensive income for the period	-	-	-	(25)	36,883	36,858	2,096	38,954
Distributions to non-controlling interests	-	-	-	-	-	-	(302)	(302)
Balance, June 30, 2019	**109,828,731**	**211,802**	**8,951**	**(564)**	**(51,298)**	**168,891**	**21,062**	**189,953**
Balance, December 31, 2017	109,828,731	211,802	8,951	(125)	(87,975)	132,653	19,642	152,295
Net income for the period	-	-	-	-	4,891	4,891	675	5,566
Other comprehensive income (net of tax)	-	-	-	111	557	668	21	689
Total comprehensive income for the period	-	-	-	111	5,448	5,559	696	6,255
Distributions to non-controlling interests	-	-	-	-	-	-	(649)	(649)
Balance, June 30, 2018	109,828,731	211,802	8,951	(14)	(82,527)	138,212	19,689	157,901

See accompanying condensed notes to these interim consolidated financial statements

GLACIER MEDIA INC.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three and six months ended June 30, 2019 and 2018

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	**2019**	2018
	$	$	**$**	$
Operating activities				
Net income for the period	**42,035**	5,311	**40,725**	5,566
Items not affecting cash				
Depreciation and amortization	**3,335**	3,009	**7,098**	5,626
Net gain on disposition or acquisition (Note 6)	**(47,682)**	(2,653)	**(47,682)**	(2,653)
Employee future benefit expense less than of employer contributions	**(60)**	(65)	**(103)**	(104)
Deferred income tax expense (recovery)	**2,716**	(3,578)	**1,843**	(4,149)
Interest expense, long term debt	**835**	580	**1,722**	1,158
Interest expense, lease liabilities (Note 8)	**172**	-	**334**	-
Share of earnings from joint ventures and associates (Note 7)	**(1,369)**	(2,315)	**(2,690)**	(3,446)
Other non-cash items	**1,388**	(16)	**1,823**	785
Cash flow from operations before changes in non-cash operating accounts	**1,370**	273	**3,070**	2,783
Changes in non-cash operating accounts				
Trade and other receivables	**1,381**	181	**(225)**	1,068
Inventory	**(792)**	(753)	**(1,237)**	(1,278)
Prepaid expenses	**67**	(289)	**169**	(42)
Trade and other payables	**(4,024)**	(1,119)	**(5,207)**	(4,184)
Deferred revenue	**1,014**	3,676	**3,059**	5,932
Cash (used in) generated from operating activities	**(984)**	1,969	**(371)**	4,279
Investing activities				
Acquisitions, inclusive of assumed and related financing liabilities (Note 6)	**(18,950)**	(1,194)	**(18,950)**	(1,194)
Net cash acquired on acquisitions	**-**	442	**-**	442
Investments in joint ventures and associates	**-**	(500)	**-**	(678)
Other investing activities	**(444)**	-	**(939)**	(704)
Proceeds from disposal of assets (Note 6)	**45,157**	-	**45,157**	-
Distributions received from joint ventures and associates (Note 7)	**650**	2,014	**2,738**	4,103
Deposits paid (Note 21)	**(795)**	(22)	**(873)**	(22)
Purchase of property, plant and equipment	**(709)**	(722)	**(4,430)**	(1,072)
Purchase of intangible assets	**(992)**	(1,207)	**(2,118)**	(2,278)
Cash generated from (used in) investing activities	**23,917**	(1,189)	**20,585**	(1,403)
Financing activities				
Distribution to non-controlling interests	**(188)**	(385)	**(302)**	(648)
Interest paid, long-term debt	**(924)**	(557)	**(1,897)**	(1,112)
Interest paid, lease liabilities (Note 8)	**(170)**	-	**(275)**	-
Additional borrowing of long-term debt (Note 13)	**10,000**	-	**12,500**	-
Net repayment of long term debt (Note 13)	**(30,690)**	(985)	**(27,363)**	(2,715)
Principal payment of lease liabilities (Note 8)	**(724)**	-	**(1,567)**	-
Cash used in financing activities	**(22,696)**	(1,927)	**(18,904)**	(4,475)
Net cash generated from (used in)	**237**	(1,147)	**1,310**	(1,599)
Cash and cash equivalents, beginning of period	**4,190**	3,435	**3,117**	3,887
Cash and cash equivalents, end of period	**4,427**	2,288	**4,427**	2,288

(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 August 12, 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:

	January 1, 2019
	$
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)
(Unaudited)

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 characteristic, risk and overall geographical locations; 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 most leases of property, plant and equipment as operating leases, as defined by IAS 17. 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 resulted in the following items recorded on the balance sheet on January 1, 2019:

	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 assessed 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. Acquisitions and Dispositions

(a) On April 4, 2019, the Company completed the sale of its 50% interest in Fundata Canada Inc. ("Fundata") for $55.0 million; resulting in a gain on disposition of $47.6 million. $45.0 million of the sale price was received at closing and $10.0 million is receivable 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. The current portion of the sale price receivable has been recorded within Trade and other receivable with the balance in Other assets.

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

6. Acquisitions and Dispositions (continued)

(b) On April 4, 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 related Avenue Radio shares. The acquisition of the Avenue Radio shares is subject to Canadian Radio-television and Telecommunications Commission approval. In total, $19.0 million cash was paid at closing with the remainder 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 ("Madison"), in order to provide certainty of funding for the acquisition and allow greater financial flexibility compared to increased senior debt borrowing. Madison is a related party of Glacier. Refer to Notes 13 and 19.

The Company performed the preliminary purchase accounting for its acquisition of the assets from Castanet. The acquired assets are reported within the community media segment. As part of the accounting for a business combination, the fair value of the acquired assets and liabilities have been allocated as follows:

(thousands of dollars)	
	$
Assets acquired	
Trade and other receivables	801
Prepaid expenses	38
Property, plant and equipment	1,181
Right of use asset	1,244
Customer relationships	5,169
Mastheads	6,980
Goodwill	7,844
	23,257
Liabilities assumed	
Trade payables and accrued liabiliaties	13
Lease liability	1,244
	1,257
Consideration	22,000

Revenue and expenses of Castanet have been included in the results of the Company since the acquisition date and the acquired assets and liabilities have been consolidated.

7. 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 period ended June 30, 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	**(6,221)**	1,678
Share of earnings for the period	**2,690**	5,538
Share of other comprehensive (loss) income (net of tax)	**(805)**	141
Distributions and dividends received and other equity movements	**(2,738)**	(9,205)
Balance, end of period	**58,762**	65,836

In April 2019, the Company sold its interest in Fundata Canada Inc., refer to Note 6 (a).

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

7. Investments in joint ventures and associates (continued)

The following is the summarized financial information for the Company's joint ventures and associates, reported in the Company's share of ownership. The results have been amended to reflect adjustments made by the Company when using the equity method, including modifications for differences in accounting policy.

	Joint ventures Three months ended June 30,		Associates Three months ended June 30,		Total Three months ended June 30,	
(thousands of dollars)	**2019**	2018	**2019**	2018	**2019**	2018
	$	$	**$**	$	**$**	$
Revenue	**6,024**	8,514	**4,923**	5,359	**10,947**	13,873
Operating expenses before depreciation and amortization	**4,426**	5,445	**4,709**	5,027	**9,135**	10,472
	1,598	3,069	**214**	332	**1,812**	3,401
Net interest expense, debt	**24**	31	**(4)**	324	**20**	355
Interest expense, lease liabilities	**3**	-	**2**	-	**5**	-
Depreciation and amortization	**401**	532	**64**	69	**465**	601
Restructuring and other expenses (net)	**(288)**	(15)	**69**	(13)	**(219)**	(28)
Net income (loss) before income taxes	**1,458**	2,521	**83**	(48)	**1,541**	2,473
Income tax expense (recovery)	**125**	325	**47**	(167)	**172**	158
Net income for the period	**1,333**	2,196	**36**	119	**1,369**	2,315

	Joint ventures Six months ended June 30,		Associates Six months ended June 30,		Total Six months ended June 30,	
(thousands of dollars)	**2019**	2018	**2019**	2018	**2019**	2018
	$	$	**$**	$	**$**	$
Revenue	**14,615**	16,783	**9,574**	10,501	**24,189**	27,284
Operating expenses before depreciation and amortization	**10,472**	11,006	**8,971**	10,366	**19,443**	21,372
	4,143	5,777	**603**	135	**4,746**	5,912
Net interest expense, debt	**49**	71	**(9)**	311	**40**	382
Interest expense, lease liabilities	**6**	-	**4**	-	**10**	-
Depreciation and amortization	**969**	1,073	**134**	140	**1,103**	1,213
Restructuring and other expenses (net)	**(305)**	(155)	**594**	594	**289**	439
Net income (loss) before income taxes	**3,424**	4,788	**(120)**	(910)	**3,304**	3,878
Income tax expense (recovery)	**564**	766	**50**	(334)	**614**	432
Net income (loss) for the period	**2,860**	4,022	**(170)**	(576)	**2,690**	3,446

	Joint ventures		Associates		Total	
(thousands of dollars)	**June 30, 2019**	December 31, 2018	**June 30, 2019**	December 31, 2018	**June 30, 2019**	December 31, 2018
	$	$	**$**	$	**$**	$
Assets	**30,333**	41,838	**38,340**	37,803	**68,673**	79,641
Liabilities	**5,413**	13,787	**11,076**	9,734	**16,489**	23,521
Net Assets	**24,920**	28,051	**27,264**	28,069	**52,184**	56,120

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

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

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

		As at June 30, 2019	
(thousands of dollars)	**Cost**	**Accumulated depreciation**	**Carrying amount**
	$	**$**	**$**
Property	**14,146**	**(1,698)**	**12,448**
Equipment	**97**	**(10)**	**87**
	14,243	**(1,708)**	**12,535**

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

The Company's lease liabilities are as follows:

(thousands of dollars)	**June 30, 2019**	December 31, 2018
	$	$
Current portion of lease liabilities	**3,117**	-
Long term lease liabilities	**9,618**	-
	12,735	**-**

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

(thousands of dollars)	**As at and for the period ended June 30, 2019**	As at and for the year ended December 31, 2018
	$	$
Balance, beginning of period	**11,514**	-
New leases and lease renewals	**1,516**	-
Acquisition	**1,244**	-
Interest expense, lease liability	**334**	-
Interest paid, lease liability	**(275)**	-
Payment of principal portion of lease liabilities	**(1,567)**	-
Termination	**(8)**	-
Foreign exchange	**(23)**	-
Balance, end of period	**12,735**	-

During the period ended June 30, 2019, the Company had short-term and low value lease expenses of $0.3 million.

During the quarter ended June 30, 2019, the Company performed the preliminary purchase accounting for its acquisition of the assets from Castanet; see Note 6 (b). The purchase accounting resulted in right-of-use assets of $1.2 million and lease liabilities of $1.2.

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

9. Property, plant and equipment

(thousands of dollars)	**Cost**	**Accumulated depreciation and impairment**	**Carrying amount**
			As at June 30, 2019
	$	**$**	**$**
Land and Land Improvements	**6,746**	**(169)**	**6,577**
Buildings	**13,106**	**(3,672)**	**9,434**
Production equipment	**30,451**	**(21,221)**	**9,230**
Office equipment and leaseholds	**28,300**	**(23,178)**	**5,122**
	78,603	**(48,240)**	**30,363**

(thousands of dollars)	Cost	Accumulated depreciation and impairment	Carrying amount
			As at December 31, 2018
	$	$	$
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

During the quarter ended June 30, 2019, the Company performed the preliminary purchase accounting for its acquisition of the assets from Castanet; see Note 6 (b). The purchase accounting resulted in property, plant and equipment of $1.2 million.

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

10. 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 June 30, 2019
	$	**$**	**$**
Indefinite life			
Mastheads and trademarks	**59,647**	**(29,005)**	**30,642**
Finite life			
Copyrights	**10,242**	**(10,224)**	**18**
Customer relationships	**65,478**	**(56,415)**	**9,063**
Subscription lists	**3,841**	**(3,841)**	**-**
Software and websites	**37,352**	**(27,182)**	**10,170**
	176,560	**(126,667)**	**49,893**

(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

During the quarter ended June 30, 2019, the Company performed the preliminary purchase accounting for its acquisition of the assets from Castanet; see Note 6 (b). The purchase accounting resulted in customer relationships of $5.2 million and Mastheads of $7.0 million.

11. Depreciation and amortization

(thousands of dollars)	**Three months ended June 30, 2019**	Three months ended June 30, 2018	**Six month ended June 30, 2019**	Six month ended June 30, 2018
	$	$	**$**	$
Depreciation of property, plant and equipment	**1,150**	946	**2,140**	1,803
Depreciation of right-of-use assets	**834**	-	**1,710**	-
Amortization of intangible assets	**1,351**	2,063	**3,248**	3,823
Depreciation and amortization	**3,335**	3,009	**7,098**	5,626

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

12. Goodwill

(thousands of dollars)	**As at and for the period ended June 30, 2019**	As at and for the year ended December 31, 2018
	$	$
Balance, beginning of period	**35,824**	33,008
Acquisition on business combinations	**7,844**	2,816
Balance, end of period	**43,668**	35,824

During the quarter ended June 30, 2019, the Company performed the preliminary purchase accounting for its acquisition of the assets from Castanet; see Note 6 (b). The purchase accounting resulted in goodwill of $7.8 million.

13. Long-term debt

The Company has the following long-term debt outstanding:

	As at	
(thousands of dollars)	**June 30, 2019**	December 31, 2018
	$	$
Current		
ANGLP non-recourse debt	**320**	1,904
Term bank loan	**-**	1,000
Mortgages and other loans	**406**	88
	726	2,992
Non-current		
Revolving bank loan	**19,950**	34,015
Term bank loan	**-**	4,600
Mortgages and other loans	**6,481**	392
Deferred financing costs	**(346)**	(152)
	26,085	38,855
	26,811	41,847

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

(thousands of dollars)	**As at and for the period ended June 30, 2019**	As at and for the year ended December 31, 2018
	$	$
Balance, beginning of period	**41,847**	43,956
Additional borrowings	**12,500**	-
Financing charges (net)	**(173)**	74
Repayment of debt	**(27,363)**	(2,183)
Balance, end of period	**26,811**	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 June 30, 2019 and 2018.

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

13. Long-term debt (continued)

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.

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

During the period ended June 30, 2019, the Company entered into a $10.0 million unsecured loan that was arranged from Madison Venture Corporation. 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 the event that the repayment of the loan would create an event of default, 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. Glacier borrowed the funds and loaned the proceeds to GVIC in order to assist the Company with the acquisition. Madison is a related party of Glacier.

During the period ended June 30, 2019, the Company repaid $6.0 million of the unsecured loan to Madison. Subsequent to June 30, 2019, the Company repaid the remaining $4.0 million outstanding of the unsecured loan to Madison. The unsecured loan was repaid and replaced with senior debt to lower the overall cost of borrowing.

14. Other comprehensive (loss) income

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

	Accumulated other comprehensive income	**Retained deficit**		
(thousands of dollars)	**Cumulative translation adjustment**	**Actuarial (loss) gain on defined benefit plans**	**Non-controlling interest**	**Total other comprehensive loss**
	$	$	$	$
Balance, January 1, 2019	(539)	(1,270)	(62)	(1,871)
Actuarial loss on defined benefit plans	-	(918)	(29)	(947)
Cumulative translation adjustment	(25)	-	6	(19)
Share of other comprehensive loss from joint ventures and associates	-	(780)	(25)	(805)
Other comprehensive (loss) income for the period	(25)	(1,698)	(48)	(1,771)
Balance, June 30, 2019	**(564)**	**(2,968)**	**(110)**	**(3,642)**
Balance, January 1, 2018	(125)	(410)	284	(251)
Actuarial gain on defined benefit plans	-	451	14	465
Cumulative translation adjustment	111	-	4	115
Share of other comprehensive gain from joint ventures and associates	-	106	3	109
Other comprehensive income for the period	111	557	21	689
Balance, June 30, 2018	(14)	147	305	438

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

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

14. Other comprehensive (loss) income (continued)

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

(thousands of dollars)	Three months ended June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018
	$	$	**$**	$
Income tax effect of:				
Actuarial loss (gain) on defined benefit plans	**255**	(477)	**350**	(325)
Share of other comprehensive loss (gain) from joint ventures and associates	**133**	(16)	**298**	50

15. 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 June 30, 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 June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018
	$	$	**$**	$
Current tax	**332**	17	**303**	39
Deferred tax	**2,716**	(3,578)	**1,843**	(4,149)
Income tax expense (recovery)	**3,048**	(3,561)	**2,146**	(4,110)

16. Revenue by category

(thousands of dollars)	Three months ended June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018
	$	$	**$**	$
Advertising	**30,817**	31,978	**61,403**	64,741
Subscription, data and services	**12,881**	11,614	**24,361**	21,815
Commercial printing and other	**1,975**	2,636	**4,171**	4,530
	45,673	46,228	**89,935**	91,086

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

17. Expense by nature

(thousands of dollars)	Three months ended June 30, 2019	2018	Six months ended June 30, 2019	2018
	$	$	**$**	$
Wages and benefits	**25,244**	24,589	**49,344**	47,554
Newsprint, ink and other printing costs	**4,194**	4,857	**8,673**	9,369
Delivery costs	**3,238**	3,439	**6,619**	6,815
Rent, utilities and other property costs	**1,414**	2,049	**2,745**	3,980
Advertising, marketing and other promotion costs	**2,033**	2,112	**4,160**	4,015
Third party production and editorial costs	**2,407**	2,949	**5,031**	5,681
Legal, bank, insurance and professional services	**1,828**	1,671	**3,188**	3,144
Data services, system maintenance, telecommunications and software licences	**1,885**	1,795	**3,820**	3,212
Fees, licences and other services	**654**	759	**1,250**	1,245
Event costs	**249**	227	**456**	480
Other	**243**	282	**404**	345
	43,389	44,729	**85,690**	85,840
Direct expenses	**33,166**	34,056	**65,956**	65,303
General and administrative expenses	**10,223**	10,673	**19,734**	20,537
	43,389	44,729	**85,690**	85,840

18. Restructuring and other expenses (net)

(thousands of dollars)	Three months ended June 30, 2019	2018	Six months ended June 30, 2019	2018
	$	$	**$**	$
Restructuring expenses (a)	**1,218**	1,163	**1,889**	2,789
Transaction and transition costs (b)	**631**	73	**655**	222
Other expense (income) (net)	**93**	(103)	**76**	105
	1,942	1,133	**2,620**	3,116

(a) Restructuring expenses

During the period ended June 30, 2019, restructuring expenses of $1.2 million were recognized (2018: $1.2 million). Restructuring expenses include severance costs of $0.5 million (2018: $0.5 million) incurred as the Company restructured and reduced its workforce.

(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.

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

19. Related party transactions

In April 2019, 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.

In May 2019, the Company repaid $6.0 million of the unsecured loan. The balance outstanding as at June 30, 2019 was $4.0 million. Subsequent to June 30, 2019, the Company repaid the remaining $4.0 million outstanding of the unsecured loan to Madison. The unsecured loan was repaid and replaced with senior debt to lower the overall cost of borrowing. The interest paid to Madison on the unsecured loan during the period ended June 30, 2019 was $0.2 million.

20. Segment disclosure

The Company, its subsidiaries, its joint ventures and its associates operate in three distinct operating segments mainly throughout Canada and the United States, with some operations in the United Kingdom and Australia. These segments are Environmental, Property and Financial Information, Commodity 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 and property related. Commodity 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.

During the period ended June 30, 2019, the Company revised its operating segments to include its proportionate share of its investments in associates. Previously, the segments were reported including only the Company's consolidated entities and its proportionate share of its investments in joint ventures. The prior period comparative balances have been restated to present the Company's revised operating segments.

The following segment information is for the three and six months ended June 30, 2019 and 2018:

For the three months ended June 30, 2019

(thousands of dollars)	Environmental, Property and Financial Information	Commodity Information	Community Media	Total Operations	Joint Ventures and Associates	IFRS Total
	$	$	$	$	$	$
Revenue	6,169	11,092	39,359	56,620	(10,947)	45,673
Divisional earnings before interest, taxes, depreciation, and amortization	1,058	510	4,442	6,010	(1,812)	4,198
Centralized and corporate expenses						1,914
						2,284
Net interest expense, debt and lease liability						1,006
Depreciation and amortization						3,335
Net gain on sale						(47,713)
Restructuring and other expense						1,942
Share of earnings from joint ventures and associates						(1,369)
Income tax recovery						3,048
Net income for the period						42,035

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

20. Segment disclosure (continued)

For the three months ended June 30, 2018

(thousands of dollars)	Environmental, Property and Financial Information	Commodity Information	Community Media	Total Operations	Joint Ventures and Associates	IFRS Total
	$	$	$	$	$	$
Revenue	6,918	12,077	41,106	60,101	(13,873)	46,228
Divisional earnings before interest, taxes, depreciation, and amortization	682	951	5,418	7,051	(3,401)	3,650
Centralized and corporate expenses						2,151
						1,499
Net interest expense, debt and lease liability						575
Depreciation and amortization						3,009
Net gain on acquisition						(2,653)
Restructuring and other expense						1,133
Share of earnings from joint ventures and associates						(2,315)
Income tax recovery						(3,561)
Net income for the period						5,311

For the six months ended June 30, 2019

(thousands of dollars)	**Environmental, Property and Financial Information**	**Commodity Information**	**Community Media**	**Total Operations**	**Joint Ventures and Associates**	**IFRS Total**
	$	**$**	**$**	**$**	**$**	**$**
Revenue	**14,102**	**25,672**	**74,350**	**114,124**	**(24,189)**	**89,935**
Divisional earnings before interest, taxes, depreciation, and amortization	**2,620**	**3,843**	**6,201**	**12,664**	**(4,746)**	**7,918**
Centralized and corporate expenses						**3,673**
						4,245
Net interest expense, debt and lease liability						**2,059**
Depreciation and amortization						**7,098**
Net gain on sale						**(47,713)**
Restructuring and other expense						**2,620**
Share of earnings from joint ventures and associates						**(2,690)**
Income tax recovery						**2,146**
Net income for the period						**40,725**

For the six months ended June 30, 2018

(thousands of dollars)	Environmental, Property and Financial Information	Commodity Information	Community Media	Total Operations	Joint Ventures and Associates	IFRS Total
	$	$	$	$	$	$
Revenue	14,393	26,158	77,819	118,370	(27,284)	91,086
Divisional earnings before interest, taxes, depreciation, and amortization	2,282	5,454	7,748	15,484	(5,912)	9,572
Centralized and corporate expenses						4,326
						5,246
Net interest expense, debt and lease liability						1,147
Depreciation and amortization						5,626
Net gain on acquisition						(2,653)
Restructuring and other expense						3,116
Share of earnings from joint ventures and associates						(3,446)
Income tax recovery						(4,110)
Net income for the period						5,566

The Company operates in the following main geographical areas:

	Three months ended June 30,		**Six months ended June 30,**	
(thousands of dollars)	**2019**	2018	**2019**	2018
	$	$	**$**	$
Canada	**41,639**	43,556	**82,444**	85,163
United States	**4,034**	2,672	**7,491**	5,923
Total revenue	**45,673**	46,228	**89,935**	91,086

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

21. 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 $57.7 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. The Company and its affiliate expect to ultimately be successful in its objection.

22. Subsequent event

Subsequent to June 30, 2019, the Company completed a private placement of 15,384,615 common shares at a price of $0.65 per share for gross proceeds of $10.0 million.

The net proceeds of the Private Placement shall be used for investment purposes and general working capital needs. The Private Placement will allow the Company to pursue strategic investments to increase its scale, competitiveness and operating strength while maintaining lower debt levels.

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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