Condensed Interim Consolidated Financial Statements of

GLACIER MEDIA INC.

For the three and six months ended June 30, 2018 and 2017
(Unaudited)

Report to Shareholders

Financial Performance

Glacier Media Inc.'s ("Glacier" or the "Company") overall financial results for the second quarter were impacted by a change in accounting treatment at one of its operations. Excluding the change in accounting, revenues were $55.7 million, which was $2.5 million or 4.3% lower than Q2 2017 and EBITDA was $5.7 million, which was $0.6 million or 9.5% lower than Q2 2017. Overall the underlying operating results were consistent with results in recent quarters. The Company's growth initiatives continued to progress well, while print advertising revenues declined as expected.

Including the impact of accounting change, overall, adjusted(1) consolidated EBITDA, including the Company's share of its joint venture interests, decreased to $4.6 million for the quarter ended June 30, 2018 compared to $6.3 million for the same period in the prior year. Adjusted consolidated revenue was $54.8 million for the quarter compared to $58.2 million for the same quarter in the prior year.

Revenue and EBITDA at Specialty Technical Publishers ("STP") were reduced $0.9 million and $1.1 million respectively primarily due to an accounting treatment change reflecting the on-going transition in operations to a digital, subscription based business. The adjustment is to defer revenue and subscription contracts in process to change the recognition methodology to the term of the contract. The change coincides with operational changes being made at STP including the phasing out of the paper versions of the product. The change in methodology will also impact the monthly revenues recognized going forward until year's end.

In addition, adjusted consolidated results were impacted by two transactions when compared to the same period last year: 1) the sale of the Comprehensive Oilfield Service and Supply Database ("COSSD") which was published by the Company last June; 2) the purchase of the remaining interest in Infomine, resulting in Infomine's results being consolidated into the Company's results in Q2 2018. Together, these two transactions resulted in a net revenue decrease of $0.6 million and a net EBITDA increase of $0.2 million as compared to last year.

The environmental, property and financial information operations continued to generate growth. Included in the segment results was the impact of the accounting change at STP. Adjusted revenues for the segment were $6.9 million or $0.7 million lower than Q2 2017, while adjusted EBITDA was $0.7 million or $1.8 million lower than Q2 2017. Excluding the STP changes, revenues for the segment were $0.2 million higher and EBITDA $0.7 million lower than Q2 2017. Operating investments in ERIS and REW dampened EBITDA but resulted in revenue and traffic growth.

The commodities sector continued its recovery, resulting in a solid quarter for the Company's commodity information segment. Although the segment's adjusted revenue declined 7.0% to $12.1 million (due to the sale of the COSSD directory) the adjusted EBITDA increased by $0.8 million to $1.0 million.

The community media group continued to make progress in its efforts to evolve and build its digital media business while leveraging its traditional print and flyer content and offerings. Print advertising revenue continued to decline as expected, but was partially offset by growth in digital revenues and profits. In total, adjusted community media revenue declined by 4.9% to $35.8 million while adjusted EBITDA declined by 9.5% to $5.0 million. Digital revenues grew 50%, with good progress being made in the Company's portfolio of digital products and marketing solutions offerings.

Outlook

Markets important to the Company's operations continue to improve. The mining industry has been in a growth phase and the energy and agriculture markets appear to have stabilized. Improvements in these markets should aid the Company's related information businesses as well as the Western Canadian communities that our community media operations serve. That said, given anticipated print advertising declines and continued near-term uncertainty and market risk, the Company will operate cautiously and evaluate cost reduction initiatives where appropriate in the affected businesses.

As outlined following, the Company plans to continue to invest in strategic areas. The investments are critical to the Company's growth plan and are resulting in demonstrable value creation.

Management intends to build-on the progress of the last few years in strengthening the Company's financial position by further reducing debt. A strengthened balance sheet will mitigate risk while allowing the ongoing and planned operational and capital investments.

(1) For a reconciliation of adjusted results to results in accordance with International Financial Reporting Standards ("IFRS"), refer to the "Reconciliation of IFRS to Adjusted Results" as presented in the Company's Management Discussion & Analysis.

Operational Strategy and Focus

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

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

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

Environmental, Property and Financial Information

Environmental and Property Information	• Environmental Risk Information Services ("ERIS"), Specialty Technical Publishers ("STP"), and REW.ca
Financial Information	• Fundata (50% interest)

Commodity Information

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

Community Media

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

Operational Overview

Environmental, Property and Financial Information

Environmental and Property Information

- ERIS continued to grow in both Canada and the U.S., with new customer additions and renewals. During the quarter, ERIS launched a completely redesigned and overhauled order form and process, making the ordering of ERIS products much more seamless and easy.
- REW.ca, the Company's online real estate portal, continued to grow rapidly in terms of site features, traffic and revenues. Visits to the site increased by 30% as compared to Q2 2017. During the second quarter, REW.ca ramped up its sales and business development team in the Toronto market.

Financial Information

- Fundata experienced a strong quarter and continues to expand its product offerings and client base. During the quarter, Fundata launched its partnership with Barchart to provide premium Canadian data on mutual funds and exchange-traded funds (ETFs) to *The Globe and Mail's* Globe Investor website.

Commodity Information

Agricultural Information

- Conditions in the agricultural markets have stabilized. The Company continued to invest in its agricultural information operations in key growth areas such as outdoor exhibitions and online listings.
- During the quarter, Glacier FarmMedia launched Farmtario, a print and digital media offering for the growers of Ontario. The launch leveraged the variety of existing assets that Glacier FarmMedia currently operates in Ontario including the Canadian Outdoor Farm Show, Weather Innovations and AgDealer.

Energy and Mining Information

- The energy group continued to reap the benefits of the substantial restructurings enacted over the last two years. The energy information group is now focussed on 1) data, analytics and intelligence products and 2) digital media. In aggregate, these products continued to experience slight revenue growth versus the prior year. Stabilized revenues and the restructurings resulted in a substantial EBITDA increase as compared to Q2 2017.
- The Northern Miner Group continued to capitalize on the recovering mining market and experienced strong growth in both revenue and EBITDA. In April 2018, the Northern Miner Group hosted the second annual Canadian Mining Symposium in London, England. The event built on the momentum of the inaugural event and was very successful both operationally and financially.
- Efforts are underway to merge the operations of the Company's energy and mining groups into a consolidated natural resources information business in order to reap the efficiency and growth benefits available. The combination of Infomine, Northern Miner Group and the JWN Energy Group represents an at-scale, digital resource information business.

Community Media

- Given the mature nature of consumer print media, revenues in the community media segment continued to decline as anticipated. The 4.9% overall revenue decline was lower than the 6.8% Q1 decline but largely consistent with the rate of decline in recent quarters.
- The Company continues to respond to print revenue declines with operational restructurings and efficiency initiatives.
- Digital media operations continued to experience strong performance across a variety of products, such as local websites, retargeting services, website builds and Chinese digital marketing solutions. Community media digital revenues grew by over 50% in the quarter and profits grew at an even higher growth rate.

Investment and Value Creation

The Company is investing in a number of strategic areas in order to grow and create shareholder value.

As is the case for many companies, some of the Company's products and offerings are maturing, specifically its print media publications. In order to deal with this issue, the Company sold a number of its trade publications several years ago to reduce the number of verticals to evolve, then selected a smaller number of verticals to focus on and better deploy capital and resources.

Industry verticals were chosen that offer attractive growth opportunities, and where the Company can leverage its brands, market position, customer relationships and marketing reach.

In community media, where print declines have been the most significant, the Company felt it was better off to take a long-term view and use the cash flow to invest in the growth areas identified and create greater value versus selling the community media business at a low price.

So far, this strategy has been working. In each of the areas chosen for investment, progress is being achieved, as measured by revenue growth, digital traffic metrics, attendance at events and other measures relevant to the offerings being developed.

A significant amount of investment is being made that is classified as operating expenses and consequently reduced the Company's short-term EBITDA. It is also making capital investments related to the products and offerings being developed.

These investments and the value being created are not readily transparent in the Company's consolidated revenue and EBITDA in its financial statements.

Overall consolidated revenue has declined primarily because of a) the print advertising declines in community media and related restructurings (i.e. reduced frequency that results in some revenue loss but greater profitability), b) closures and sale of energy print advertising related products to focus on data, analytics and intelligence products and digital media and c) the impact of cyclical declines in the commodities sector related offerings, which are now reversing.

Most of the products and services being developed have higher margins and higher valuation multiples than the print publications that are declining. Consequently, the new revenue being created is not expected to, nor necessary, to fully replace the print revenue lost on a dollar-for-dollar basis. And as stated, operating costs have been increased to fund the development and growth-oriented investments.

Areas of Investment

All of the businesses in the environmental, property and financial information segment continue to grow and are targeting large addressable markets. Investment will continue in these businesses particularly in new data and product development. Within agricultural information, a number of operations including WIN, the agricultural exhibitions and AgDealer are growing, and investment will continue to be made in these areas. The Company also continues to invest in and improve the value of its energy and mining database and subscription offerings, positioning itself as the cyclical downturn continues to reverse. The following provides some examples of the progress being made and value being created:

- Glacier FarmMedia (GFM). GFM acquired Canada's Outdoor Farm Show (COFS), then invested further in the show and its facilities, and used its marketing reach and customer relationships to grow the show. Revenue has more than doubled and profit tripled as a result. Glacier FarmMedia then launched Ag In Motion in Saskatchewan three years ago to build on the COFS success. This required both operating and capital investment. By the third annual show last year, attendance was 27,000. Investment is also being made to develop GFM's digital media, listings, market advisory and weather products.

- ERIS. Significant capital has been invested to expand ERIS in the U.S. and more than 30 staff have been added. This had the effect of reducing EBITDA initially. The investment paid off though, and in 2017 revenue grew substantially. Glacier also acquired TRS in 2016 in order to bring in-house the aerial maps it was purchasing for its Phase 1 environmental risk product and develop its own city directories information that it was also purchasing. The acquisition has resulted in a reduction of operating costs and secured ownership of important product data.

- REW. Significant capital has also been invested in the REW digital residential real estate listings offering through both capital investment and planned operating losses normal to the development and expansion of such a business. REW now offers listings in the Lower Mainland of B.C., Vancouver Island and Toronto. Traffic has grown exponentially and grown to more than 20 million monthly page views. Revenue continues to grow but planned operating losses continue to be incurred in order to expand the business. REW already has significant enterprise value, well in excess of the cumulative investment made.

- Energy Group. Despite the severe downturn in the energy market over the last four years, the energy group continued to develop its Daily Oil Bulletin digital subscription offering and enrich its content, and improve its user experience and utility. The CanOils and Evaluate Energy products were acquired to provide richer energy production data and financial and operating insights. Revenue is now recovering in the group's data, analytics, intelligence and digital media offerings.

- Mining Group. Significant investments were made in 2017 and the first half of 2018 to continue the development of the Mining Intelligence database and other digital products. The Company acquired the remaining 50% interest in Infomine and is working to integrate Infomine, the Northern Miner Group and JWN Energy into at-scale, digital resource information group.

It is also 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, web services and specialty digital products. The Company can augment its local content with its agriculture, energy and mining content, which is of interest to the people who live in the communities the Company serves in Western Canada.

The Company is investing prudently in these digital community media opportunities. It is also apparent that good print products still offer value to readers and advertisers and provide good cash flow to fund growth as described. If the Company's strategy is executed successfully, it is expected that its community media business will evolve with less revenue but greater value as the digital products grow.

Financial Position

At June 30, 2018, senior debt was flat to Q1, 2018 at $37.1 million. As outlined in the last quarterly report, the Company's non-recourse, non-mortgage debt in its investment entities has been substantially reduced as a result of significant debt repayment. This will allow for increased distributions from these entities to the Company. During the quarter the Company invested $1.7 million in acquisitions and joint ventures & associates.

On an adjusted basis, Glacier's consolidated debt net of cash outstanding before deferred financing charges was 1.5x trailing 12-months adjusted EBITDA as at June 30, 2018.

2018 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 10, 2018.

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 generate new revenues, 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 the Department of Canadian Heritage's Canada Periodical Fund's Aid to Publishers, 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 June 30, 2018 and should be read in conjunction with the Company's annual consolidated financial statements and notes thereto as at and for the year ended December 31, 2017. The annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These condensed interim consolidated financial statements include only significant events and transactions affecting the Company during the current fiscal period and do not include all disclosures normally provided in the Company's annual consolidated financial statements. As a result, these condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the period ended December 31, 2017 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, EBITDA per share, cash flow from operations, cash flow from operations per share, net income attributable to common shareholders before non-recurring items and net income attributable to common shareholders before non-recurring items per share are not generally accepted measures of financial performance under IFRS. In addition, certain results in this MD&A stated to be "adjusted" have been presented on an adjusted basis that includes the Company's shares of revenue, expenses, assets and liabilities from its joint venture operations, which reflects the basis on which management makes its operating decisions and performance evaluation. These adjusted measures are also not generally accepted measures of financial performance under IFRS. Management utilizes these financial performance measures to assess profitability and return on equity in its decision making. In addition, the Company, its lenders and its investors use EBITDA to measure performance and value for various purposes. Investors are cautioned, however, that EBITDA should not be construed as an alternative to net income 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, Cash Flow from Operations, Net Income Attributable to Common Shareholders before Non-Recurring Items and Net Income Attributable to Common Shareholders before Non-Recurring Items Reconciliation with Per Share Amounts and a reconciliation of the adjusted non-IFRS measures is included in the section entitled Reconciliation of IFRS to Adjusted Results in this MD&A.

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

Overview of the Business

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

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

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

Environmental, Property and Financial Information

Environmental and Property Information	• Environmental Risk Information Services ("ERIS"), Specialty Technical Publishers ("STP") and REW.ca
Financial Information	• Fundata (50% interest)

Commodity Information

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

Community Media

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

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

Significant Developments in 2018 and Outlook

Glacier Media Inc.'s ("Glacier" or the "Company") overall financial results for the second quarter were impacted by two one-time transactions and a change in accounting treatment at one of its operations. Excluding these items, the underlying operating results were consistent with results in recent quarters. The Company's growth initiatives continued to progress well, while print advertising revenues declined as expected.

In the quarter, the following items affected the results comparability to the prior year:

- Two transactions impacted the quarter's results when compared to the same period last year: 1) the sale of the COSSD which was published by the Company last June; 2) the purchase of the remaining interest in Infomine, resulting in Infomine's results being consolidated into the Company's results in Q2 2018.

- Adjustments to revenue and EBITDA at Specialty Technical Publishers ("STP") based primarily on an accounting treatment change reflecting the on-going transition in operations to a digital, subscription based business. The adjustment is to defer revenue and subscription contracts in process to change the recognition methodology to the term of the contract. The change coincides with operational changes being made at STP including the phasing out of the paper versions of the product. The change in methodology will also impact the monthly revenues recognized going forward until year's end.

The environmental, property and financial information operations continued to generate growth. Included in the segment results was the impact of the accounting change at STP. In addition, operating investments in ERIS and REW dampened EBITDA but resulted in revenue and traffic growth.

The commodities sector continued its recovery, resulting in a solid quarter for the Company's commodity information segment. Overall, the segment's adjusted revenue declined due to the sale of the COSSD directory while adjusted EBITDA increased.

The community media group continued to make progress in its efforts to evolve and build its digital media business while leveraging its traditional print and flyer content and offerings. Print advertising revenue continued to decline as expected, but was partially offset by growth in digital revenues and profits. Digital revenues grew 50%, with good progress being made in the Company's portfolio of digital products and marketing solutions offerings.

Markets important to the Company's operations continue to improve. The mining industry has been in a growth phase and the energy and agriculture markets appear to have stabilized. Improvements in these markets should aid the Company's related information businesses as well as the Western Canadian communities that our community media operations serve. That said, given anticipated print advertising declines and continued near-term uncertainty and market risk, the Company will operate cautiously and evaluate cost reduction initiatives where appropriate in the affected businesses.

As outlined, the Company plans to continue to invest in strategic areas. The investments are critical to the Company's growth plan and are resulting in demonstrable value creation.

Management intends to build-on the progress of the last few years in strengthening the Company's financial position by further reducing debt. A strengthened balance sheet will mitigate risk while allowing the ongoing and planned operational and capital investments.

Reconciliation of IFRS to Adjusted Results and Non-IFRS Measures

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

(thousands of dollars)	Three months ended June 30, 2018			Three months ended June 30, 2017		
except share and per share amounts	**Per IFRS**	**Differential**	**Adjusted (1)**	Per IFRS	Differential	Adjusted (1)
Revenue	$ 46,228	$ 8,547	$ 54,775	$ 49,019	$ 9,169	$ 58,188
Gross profit (3)	$ 12,172	$ 4,360	$ 16,532	$ 13,859	$ 4,701	$ 18,560
Gross margin	26.3%		30.2%	28.3%		31.9%
EBITDA (1)(2)	$ 1,499	$ 3,069	$ 4,568	$ 2,982	$ 3,284	$ 6,266
EBITDA margin (1)	3.2%		8.3%	6.1%		10.8%
EBITDA per share (1)(2)	$ 0.01	$ 0.03	$ 0.04	$ 0.03	$ 0.03	$ 0.06
Net income attributable to common shareholders before non-recurring items (1)(2)	$ 108	$ (28)	$ 80	$ 2,703	$ (40)	$ 2,663
Net income attributable to common shareholders before non-recurring items per share (1)(2)	$ 0.00	$ -	$ 0.00	$ 0.02	$ -	$ 0.02
Net income attributable to common shareholders	$ 4,939	$ (20)	$ 4,919	$ 2,163	$ (33)	$ 2,130
Net income attributable to common shareholders per share	$ 0.04	$ -	$ 0.04	$ 0.02	$ -	$ 0.02
Cash flow from operations before non-recurring items (1)(2)	$ 1,099	$ 2,871	$ 3,970	$ 2,548	$ 3,144	$ 5,692
Cash flow from operations per share (1)(2)	$ 0.01	$ 0.03	$ 0.04	$ 0.02	$ 0.03	$ 0.05
Weighted average shares outstanding, net	109,828,731		109,828,731	109,828,731		109,828,731

(thousands of dollars)	Six months ended June 30, 2018			Six months ended June 30, 2017		
except share and per share amounts	**Per IFRS**	**Differential**	**Adjusted (1)**	Per IFRS	Differential	Adjusted (1)
Revenue	$ 91,086	$ 16,775	$ 107,861	$ 96,079	$ 17,544	$ 113,623
Gross profit (3)	$ 25,783	$ 8,432	$ 34,215	$ 28,249	$ 8,856	$ 37,105
Gross margin	28.3%		31.7%	29.4%		32.7%
EBITDA (1)(2)	$ 5,246	$ 5,778	$ 11,024	$ 7,474	$ 6,043	$ 13,517
EBITDA margin (1)	5.8%		10.2%	7.8%		11.9%
EBITDA per share (1)(2)	$ 0.05	$ 0.05	$ 0.10	$ 0.07	$ 0.05	$ 0.12
Net income attributable to common shareholders before non-recurring items (1)(2)	$ 1,628	$ (157)	$ 1,471	$ 4,514	$ (160)	$ 4,354
Net income attributable to common shareholders before non-recurring items per share (1)(2)	$ 0.01	$ -	$ 0.01	$ 0.04	$ -	$ 0.04
Net income attributable to common shareholders	$ 4,891	$ (155)	$ 4,736	$ 3,738	$ (159)	$ 3,579
Net income attributable to common shareholders per share	$ 0.04	$ -	$ 0.04	$ 0.03	$ -	$ 0.03
Cash flow from operations before non-recurring items (1)(2)	$ 4,291	$ 4,972	$ 9,263	$ 6,471	$ 5,403	$ 11,874
Cash flow from operations per share (1)(2)	$ 0.04	$ 0.04	$ 0.08	$ 0.06	$ 0.05	$ 0.11
Weighted average shares outstanding, net	109,828,731		109,828,731	109,828,731		109,828,731

Notes:
(1) Refer to "Non-IFRS Measures" section for discussion of non-IFRS measures used in this table.
(2) IFRS net income attributable to common shareholders and cash flow from operations have been adjusted for non-recurring items. Refer to "EBITDA, Cash Flow from Operations and Net Income Attributable to Common Shareholders Before Non-Recurring Items Reconciliation".
(3) Gross profit for these purposes excludes depreciation and amortization.

Adjusted Operational Performance[1]

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

Adjusted consolidated EBITDA decreased to $4.6 million for the quarter ended June 30, 2018 compared to $6.3 million in the prior year. Decreases in adjusted EBITDA were due a one-time accounting adjustment to reflect the on-going transition in operation to a digital, subscription based business. The adjustment is to primarily defer revenue and subscription contracts in process to change the recognition methodology to the term of the contract. The accounting adjustments reduced revenue and EBITDA by $0.9 million and $1.1 million respectively. In addition, the weaker agriculture market in Canada, along with print advertising declines in community media operations also had an overall effect on Glacier's results.

Adjusted consolidated revenue was $54.8 million for the quarter ended June 30, 2018 compared to $58.2 million in the prior year. In addition to the STP adjustment as mentioned above, revenue continues to be impacted by the maturing community media industry, along with the weaker agriculture market.

For the quarter ended June 30, 2018, adjusted net income attributable to common shareholders before non-recurring items decreased to $0.1 million from $2.7 million in the prior year. Adjusted cash flow from operations before non-recurring items decreased to $4.0 million from $5.7 million in the prior year.

On an adjusted basis, Glacier's consolidated debt net of cash outstanding before deferred financing charges was 1.5x trailing 12-months adjusted EBITDA as at June 30, 2018.

The main factors affecting the comparability of the results for the year are detailed below under the IFRS Selected Financial Information.

Note:

(1) The adjusted consolidated financial results have been adjusted to include the Company's share of revenue, expenses, assets and liabilities from its joint venture operations on a proportionate accounting basis as this is the basis on which management bases its operating decisions and performance evaluation. IFRS does not allow for the inclusion of the joint ventures on a proportionate basis. These results include additional non-IFRS measures such as EBITDA, cash flow from operations and net income attributable to common shareholders before non-recurring items.

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

Second Quarter IFRS Results and Overview of Operating Performance

Selected Financial Information

The following outlines selected financial statistics and performance measures for Glacier, on an IFRS basis (other than the non-IFRS measures noted) for the periods ended June 30, 2018 and 2017:

(thousands of dollars) *except share and per share amounts*	Three months ended June 30, 2018	Three months ended June 30, 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
Revenue	$ 46,228	$ 49,019	$ 91,086	$ 96,079
Gross profit (2)	$ 12,172	$ 13,859	$ 25,783	$ 28,249
Gross margin	26.3%	28.3%	28.3%	29.4%
EBITDA (1)	$ 1,499	$ 2,982	$ 5,246	$ 7,474
EBITDA margin (1)	3.2%	6.1%	5.8%	7.8%
EBITDA per share (1)	$ 0.01	$ 0.03	$ 0.05	$ 0.07
Interest expense, net	$ 575	$ 588	$ 1,147	$ 1,189
Net income attributable to common shareholders before non-recurring items (1)	$ 108	$ 2,703	$ 1,628	$ 4,514
Net income attributable to common shareholder before non-recurring items per share (1)	$ 0.00	$ 0.02	$ 0.01	$ 0.04
Net income attributable to common shareholders	$ 4,939	$ 2,163	$ 4,891	$ 3,738
Net income attributable to common shareholders per share	$ 0.04	$ 0.02	$ 0.04	$ 0.03
Cash flow from operations (1)	$ 1,099	$ 2,548	$ 4,291	$ 6,471
Cash flow from operations per share (1)	$ 0.01	$ 0.02	$ 0.04	$ 0.06
Capital expenditures	$ 1,929	$ 1,034	$ 3,350	$ 1,913
Total assets	$ 245,747	$ 245,589	$ 245,747	$ 245,589
Total non-current financial liabilities	$ 39,690	$ 44,659	$ 39,690	$ 44,659
Debt net of cash outstanding before deferred financing charges and other expenses	$ 39,159	$ 44,096	$ 39,159	$ 44,096
Equity attributable to common shareholders	$ 138,212	$ 133,881	$ 138,212	$ 133,881
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, Cash Flow from Operations and Net Income Attributable to Common Shareholders before Non-Recurring Items" 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 quarter include:

- Operating performance of the Company's various business units and general market conditions during the reported years;
- Decreased revenues due to the weaker community media industry, the cyclical nature of certain of Glacier's businesses, including the low price of oil and general softness in the agriculture industry, as well as the sale of COSSD which was published by the Company last June;
- 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;
- In the April 2018, the Company acquired the remaining 50% of Infomine for $3.6 million and a gain on acquisition of $2.7 million was recognized;
- In June 2018, the Company made a one-time accounting adjustment. The adjustment is to primarily defer revenue and subscription contracts in process to change the recognition methodology to the term of the contracts. This adjustment reduced revenue and EBITDA by $0.9 million and $1.1 million respectively;

Revenue

Glacier's consolidated revenue for the period ended June 30, 2018 was $46.2 million compared to $49.0 million in the prior year.

Environmental, Property and Financial Information

The Environmental, Property and Financial Information group generated revenues of $4.5 million for the period ended June 30, 2018, as compared to $5.3 million in the prior year. ERIS continued to expand, experiencing revenue growth in both U.S. and the Canada. REW.ca, the Company's online real estate portal, continued to grow rapidly in terms of site features, traffic and revenues. Growth in ERIS and REW.ca was offset by a one-time accounting adjustment to reflect the on-going transition in operation to a digital, subscription based business. The adjustment is to primarily defer revenue and subscription contracts in process to change the recognition methodology to the term of the contract. The accounting adjustments reduced revenue and EBITDA by $0.9 million and $1.1 million respectively.

Commodity Information

The Commodity Information group generated revenues of $12.1 million for the period ended June 30, 2018, as compared to $13.0 million in the prior year. Decline in revenue was largely due to the sale of the COSSD directory in 2017. Conditions in the agricultural markets have stabilized. The Company continued to invest in its agricultural information operations in key growth areas such as outdoor exhibitions and online listings. Market conditions in the energy sector appear to have stabilized in the oil sector, although natural gas prices remain weak. The mining market continues to show signs of recovery. In April 2018, the Company acquired the remaining 50% of Infomine. Infomine, combined with the Northern Miner Group and JWN Energy Group, represents an at-scale, digital resource information business. Efforts are already underway to operationally merge the groups to reap the efficiency and growth benefits.

Community Media

The Community Media group generated $29.6 million of revenue for the period ended June 30, 2018, as compared to $30.7 million in the prior year. The revenue decline within the Community Media group was driven by the maturing nature of the print advertising industry. Digital revenues experienced strong growth overall and across a number of product offerings including retargeting services, website builds and Chinese digital marketing solutions. Some of the general revenue declines were partially offset by ongoing operational efficiencies and the continued realization of savings from the restructurings.

Gross Profit

Glacier's consolidated gross profit, being revenues less direct expenses, for the period ended June 30, 2018 was $12.2 million compared to $13.9 million in the prior year. The decrease in gross profit is largely attributable to the decrease in revenues, which is partially offset by the related decrease in direct expenses and operational efficiencies from restructurings and continued cost management.

Gross profit as a percentage of revenues ("gross profit margin") for the period ended June 30, 2018 was 26.3% as compared to 28.3% for the same period in the prior year.

General & Administrative Expenses

Glacier's consolidated general and administrative expenses were $10.7 million for the period ended June 30, 2018 compared to $10.9 million in the prior year. While the Company continues to focus on reducing administration costs, the Company also continues to invest in resources within operations experiencing growth and with growth potential.

EBITDA

EBITDA was $1.5 million for the period ended June 30, 2018 as compared to $3.0 million in the prior year. The results are due to the various reasons stated under **Revenue, Gross Profit** and **General & Administrative Expenses**.

Net Interest Expense

Glacier's consolidated net interest expense for the period ended June 30, 2018 was $0.6 million as compared to $0.6 million in the prior year.

Depreciation and Amortization

Depreciation of property, plant and equipment for the period ended June 30, 2018 decreased $0.1 million as compared to the prior year. Amortization of intangible and other assets remained consistent as compared the prior year.

Restructuring and Other Expenses (Net)

Restructuring and other expenses (net) for the period ended June 30, 2018 were $1.1 million compared to $0.7 million in the prior year. These expenses include restructuring costs, foreign exchange, severance expense, other income, and other expenses.

Share of Earnings from Joint Ventures and Associates

Share of earnings from joint ventures and associates, which include the Company's share of Fundata Canada Inc. ("Fundata"), Continental Newspapers Ltd. ("Continental"), Great West Newspapers Limited Partnership ("GWNLP"), the Victoria Times-Colonist, Rhode Island Suburban Newspapers, Inc. ("RISN"), Village Media Inc. ("Village") and other joint ventures and associates, decreased $0.6 million as compared to the prior year.

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

	As at	
(thousands of dollars)	**June 30, 2018**	December 31, 2017
	$	$
Assets	**77,863**	82,392
Liabilities	**18,285**	21,976
Net assets	**59,578**	60,415
	For the three months ended	
	June 30, 2018	June 30, 2017
	$	$
Revenues	**14,573**	15,328
Net income for the year	**2,415**	3,102
Other comprehensive (loss) income	**346**	(1,175)

Net Income Attributable to Common Shareholders

Net income attributable to common shareholders increased by $2.8 million compared to the same period in the prior year. The increased from i) lower depreciation and amortization expenses of $0.1 million, ii) higher net gain on acquisition of $2.7 million, and iii) higher income tax recovery of $2.6 million. This was partially offset by i) lower operating results of $1.5 million, ii) higher restructuring expense of $0.4 million, iii) higher non-controlling interests of $0.1 million, and iii) lower share of earnings from joint ventures and associate of $0.6 million.

Other Comprehensive Income (net of tax)

For the period ended June 30, 2018, Glacier recognized other comprehensive loss (net of tax) of $1.3 million. The majority of the income related to the actuarial gain 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 $1.1 million (before changes in non-cash operating accounts and non-recurring items) for the period ended June 30, 2018 as compared to $2.5 million 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 $1.9 million for the period ended June 30, 2018 compared to $1.0 million in the prior year. The majority of the current year expenditures relate to software development, hardware costs, leasehold improvements, infrastructures for the agricultural shows, customer list and mastheads. Prior year capital expenditures related to software development, IT infrastructure, and other sustaining capital expenditures.

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

Related Party Transactions

During the period ended June 30, 2018, the Company and its affiliates recorded administration, consulting, interest and other expenses of $0.2 million from Madison Venture Corporation ("Madison") and its subsidiaries. Madison is a shareholder of the Company and certain of its officers and directors are officers and directors of the Company.

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

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

Contingency

During 2014-2017 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 2008-2016. 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 $55.8 million. The affiliate has filed notices of objection with the CRA and provincial taxing authorities and has paid the required deposits, which has been recorded in other assets.

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

Summary of Selected Quarterly IFRS Results

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

(thousands of dollars) except share and per share amounts	Trailing 12 Months	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
Interest expense, net	$ 2,566	$ 575	$ 572	$ 775	$ 644
Net income attributable to common shareholders before non-recurring items (1)	$ 7,249	$ 108	$ 1,520	$ 3,761	$ 1,860
Net income attributable to common shareholders before non-recurring items per share (1)	$ 0.07	$ 0.00	$ 0.01	$ 0.03	$ 0.02
Net (loss) income attributable to common shareholders	$ (10)	$ 4,939	$ (48)	$ (5,944)	$ 1,043
Net (loss) income attributable to common shareholders per share	$ 0.00	$ 0.04	$ 0.00	$ (0.05)	$ 0.01
Cash flow from operations (1)	$ 12,158	$ 1,099	$ 3,192	$ 5,265	$ 2,602
Cash flow from operations per share (1)	$ 0.11	$ 0.01	$ 0.03	$ 0.05	$ 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	$ 40,256	$ 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

	Trailing 12 Months	Q2 2017	Q1 2017	Q4 2016	Q3 2016
Revenue	$ 194,522	$ 49,019	$ 47,060	$ 48,840	$ 49,603
EBITDA (1)	$ 17,297	$ 2,982	$ 4,492	$ 5,289	$ 4,534
EBITDA margin (1)	8.9%	6.1%	9.5%	10.8%	9.1%
EBITDA per share (1)	$ 0.17	$ 0.03	$ 0.04	$ 0.05	$ 0.04
Interest expense, net	$ 2,990	$ 588	$ 601	$ 1,056	$ 745
Net income attributable to common shareholders before non-recurring items (1)	$ 8,918	$ 2,703	$ 1,811	$ 2,841	$ 1,563
Net income attributable to common shareholders before non-recurring items per share (1)	$ 0.09	$ 0.02	$ 0.02	$ 0.03	$ 0.01
Net income (loss) attributable to common shareholders	$ 2,935	$ 2,163	$ 1,575	$ (2,587)	$ 1,784
Net income (loss) attributable to common shareholders per share	$ 0.03	$ 0.02	$ 0.01	$ (0.02)	$ 0.02
Cash flow from operations (1)	$ 15,340	$ 2,548	$ 3,923	$ 4,156	$ 4,713
Cash flow from operations per share (1)	$ 0.15	$ 0.02	$ 0.04	$ 0.04	$ 0.04
Capital expenditures	$ 4,980	$ 1,034	$ 879	$ 1,835	$ 1,232
Debt net of cash outstanding before deferred financing charges and other expenses	$ 44,096	$ 44,096	$ 45,030	$ 50,320	$ 51,591
Equity attributable to common shareholders	$ 133,881	$ 133,881	$ 135,718	$ 133,351	$ 131,986
Weighted average shares outstanding, net	99,342,554	109,828,731	109,828,731	109,152,243	89,083,105

Notes:
(1) Refer to "Non-IFRS Measures" and "EBITDA, Cash Flow from Operations Reconciliation and Net Income Attributable to Common Shareholders Before Non-Recurring Items" section for calculation of non-IFRS measures used in this table.

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

- Operating performance of the Company's various business units, including cost-reduction initiatives and general market conditions during the reported periods;
- Decreased revenues during the reported periods due to the structural changes in the community media industry, the cyclical nature of certain of Glacier's businesses, including softness in the energy and mining sectors, as well as the sale of COSSD which was published by the Company last June;
- In the April 2018, the Company acquired the remaining 50% of infomine for $3.6 million and a gain on acquisition of $2.7 million was recognized;
- In June 2018, the Company made a one-time accounting adjustment. The adjustment is to primarily defer revenue and subscription contracts in process to change the recognition methodology to the term of the contracts. This adjustment reduced revenue and EBITDA by $0.9 million and $1.1 million respectively;

- In the first quarter of 2017, the Company sold land and buildings in BC for net proceeds of $2.2 million. The Company recognized a $0.3 million gain on sale.

EBITDA, Cash Flow from Operations and Net Income Attributable to Common Shareholders before Non-Recurring Items Reconciliation

The following tables reconcile the Company's net income attributable to common shareholders as reported under IFRS to EBITDA, cash flow from operations and net income attributable to common shareholders before non-recurring items.

(thousands of dollars)	**Three months ended June 30,**		**Six months ended June 30,**	
except share and per share amounts	**2018**	2017	**2018**	2017
EBITDA [1]				
Net income attributable to common shareholders	**$ 4,939**	$ 2,163	**$ 4,891**	$ 3,738
Add (deduct):				
Non-controlling interests	**$ 372**	$ 312	**$ 675**	$ 776
Net interest expense	**$ 575**	$ 588	**$ 1,147**	$ 1,189
Depreciation of property, plant and equipment	**$ 946**	$ 1,055	**$ 1,803**	$ 2,042
Amortization of intangible assets	**$ 2,063**	$ 2,066	**$ 3,823**	$ 3,900
Net gain on acquisition	**$ (2,653)**	$ -	**$ (2,653)**	$ -
Restructuring and other expenses (net)	**$ 1,133**	$ 725	**$ 3,116**	$ 1,110
Share of earnings from joint ventures and associates	**$ (2,315)**	$ (2,999)	**$ (3,446)**	$ (4,421)
Income tax recovery	**$ (3,561)**	$ (928)	**$ (4,110)**	$ (860)
EBITDA [1]	**$ 1,499**	$ 2,982	**$ 5,246**	$ 7,474
Cash flow from operations [1]				
Net income attributable to common shareholders	**$ 4,939**	$ 2,163	**$ 4,891**	$ 3,738
Add (deduct):				
Non-controlling interests	**$ 372**	$ 312	**$ 675**	$ 776
Depreciation of property, plant and equipment	**$ 946**	$ 1,055	**$ 1,803**	$ 2,042
Amortization of intangible assets	**$ 2,063**	$ 2,066	**$ 3,823**	$ 3,900
less than employer contributions	**$ (65)**	$ (231)	**$ (104)**	$ (355)
Deferred income tax recovery	**$ (3,578)**	$ (554)	**$ (4,149)**	$ (708)
Interest expense	**$ 580**	$ 594	**$ 1,158**	$ 1,202
Share of earnings from joint ventures and associates	**$ (2,315)**	$ (2,999)	**$ (3,446)**	$ (4,421)
Other non-cash items	**$ (16)**	$ (59)	**$ 785**	$ (140)
Net gain on acquisition	**$ (2,653)**	$ -	**$ (2,653)**	$ (245)
Other income	**$ (124)**	$ -	**$ (188)**	$ -
Restructuring costs (net of tax)	**$ 888**	$ 126	**$ 1,527**	$ 607
Transaction and transition costs (net of tax)	**$ 62**	$ 75	**$ 169**	$ 75
Cash flow from operations [1]	**$ 1,099**	$ 2,548	**$ 4,291**	$ 6,471

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

(thousands of dollars) *except share and per share amounts*	Three months ended June 30, **2018**	2017	Six months ended June 30, **2018**	2017
Net income attributable to common shareholders before non-recurring items (1)				
Net income attributable to common shareholders	**$ 4,939**	$ 2,163	**$ 4,891**	$ 3,738
Add (deduct) non-recurring items:				
Other expenses	**$ -**	$ -	**$ 338**	$ -
Tax asset recognized upon acquisition	**$ (2,965)**	$ -	**$ (2,965)**	$ -
Other income	**$ (124)**	$ -	**$ (188)**	$ -
Net gain on acquisition	**$ (2,653)**	$ -	**$ (2,653)**	$ (245)
Restructuring costs (net of tax)	**$ 849**	$ 465	**$ 2,036**	$ 946
Transaction and transition costs (net of tax)	**$ 61**	$ 75	**$ 169**	$ 75
Net income attributable to common shareholders before non-recurring items (1)	**$ 108**	$ 2,703	**$ 1,628**	$ 4,514
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	**$ 0.04**	$ 0.02	**$ 0.04**	$ 0.03
EBITDA per share (1)	**$ 0.01**	$ 0.03	**$ 0.05**	$ 0.07
Cash flow from operations before non-recurring items per share (1)	**$ 0.01**	$ 0.02	**$ 0.04**	$ 0.06
Net (loss) income attributable to common shareholders before non-recurring items per share (1)	**$ 0.00**	$ 0.02	**$ 0.01**	$ 0.04

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, 2018, Glacier had consolidated cash and cash equivalents of $2.3 million, current and long-term debt of $41.4 million before adjustment for deferred financing fees attributable directly to the issuance of long-term debt, and working capital of $12.7 million excluding deferred revenue. 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 newspaper 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 $1.9 million for the period ended June 30, 2018 compared to $1.0 million in the prior year. The majority of the current year expenditures relate to software development, hardware costs, leasehold improvements, customer list and mastheads. Prior year capital expenditures related to software development, IT infrastructure, and other sustaining capital expenditures.

Changes in Financial Position

(thousands of dollars)	Three months ended June 30, **2018**	2017	Six months ended June 30, **2018**	2017
	$	$	**$**	$
Cash generated from (used in)				
Operating activities	**1,969**	1,954	**4,279**	4,910
Investing activities	**(1,189)**	34	**(1,403)**	3,136
Financing activities	**(1,927)**	(3,287)	**(4,475)**	(8,160)
(Decrease) Increase in cash	**(1,147)**	(1,299)	**(1,599)**	(114)

The changes in the components of cash flows during 2018 and 2017 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 non-recurring items and changes in non-cash operating accounts of $1.1 million compared to $2.5 million in the prior year as a result of the factors stated under **Revenue**, **Gross Profit**, **General & Administrative Expenses** and **EBITDA**. Cash flows from operations before non-recurring items and after change in non-cash working capital was $2.8 million compared to $2.2 million in the prior year.

Investing Activities

Cash used for investing activities totalled $1.2 million for the period ended June 30, 2018 compared to cash generated from investing activity totalled less than $0.1 million in the prior year. Investing activities included $1.9 million of capital expenditures, distributions received of $2.0 million, net cash acquired on acquisition $0.4 million, and cash used in acquisition other investing activities of $1.7 million.

Financing Activities

Cash used for financing activities was $1.9 million for the period ended June 30, 2018 compared to $3.3 million in the prior year. The Company made net debt repayments of $1.0 million for the quarter ended June 30, 2018 compared to $2.7 million in the prior year. The Company distributed $0.4 million to its non-controlling interests, and paid $0.5 million in interest.

Outstanding Share Data

As at June 30, 2018 and August 10, 2018, there were 109,828,731 common shares and 1,115,000 share purchase warrants outstanding.

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

Contractual Agreements

As at June 30, 2018, the Company has agreements with a syndicate of major Canadian banks whereby the lenders provide a revolving loan facility with no required principal repayments during its term. The lenders also provide a term loan facility which requires annual principal payments of $1.0 million, paid quarterly.

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

The Company has entered into operating leases for premises and office equipment, which expire on various dates up to 2026.

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

(thousands of dollars)	**Total**	**2018**	**2019**	**2020**	**2021**	**2022**	**Thereafter**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Long-term debt	41,287	2,966	37,927	93	98	104	99
Operating leases	18,470	2,762	4,266	3,886	3,159	1,269	3,128
	59,757	5,728	42,193	3,979	3,257	1,373	3,227

The Company will renegotiate the debt facility before maturity.

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, 2018 and 2017.

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 and the United Kingdom, 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 estimated based on past experience, specific risks associated with the customer and other relevant information. 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, derivatives 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 flows 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 receivables, trade payables and other current liabilities. The fair value of the other financial instruments is determined essentially by discounting cash flows or quoted market prices. 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. For fair value estimates relating to derivatives and available-for-sale securities, the Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of the inputs used in making the measurements. The fair value of all of the Company's available for sale financial instruments was determined using quoted prices in active markets.

Business Environment and Risks

A comprehensive discussion of Risks and Uncertainties was included in the 2017 Annual Report and can be found on SEDAR. The discussion is applicable for the period ended June 30, 2018.

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 the Board.

The Company did not make any changes to its internal controls over financial reporting ("ICFR") during the most recent period ended June 30, 2018 which materially affected, or are reasonably likely to materially affect, the Company's ICFR.

Future Accounting Policies

In January 2016, the IASB issued IFRS 16, Leases, which supersedes IAS 17, Leases. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer (“lessee”) and the supplier (“lessor”). IFRS 16 is effective for annual periods beginning on or after January 1, 2019.

The most significant impacts of IFRS 16 includes the lessee’s recognition of the initial present value of future lease payments as lease assets and lease liabilities on the statement of financial position, except for those leases that meet a limited exception criteria. The presentation on the statement of operations and other comprehensive income will be affected by the new standard and will result in lease expenses being presented as depreciation and finance expenses. Net income is likely to be effected as the timing of expenses is accelerated when applying the new standard which uses a finance lease model compared to straight line recognition.

The Company is still in the process of assessing the impact, if any, on the financial statements of this new standard.

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.

GLACIER MEDIA INC.

INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS
Three and six months ended June 30, 2018 and 2017

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2018	2017	**2018**	2017
	$	$	**$**	$
Revenue (Note 12)	**46,228**	49,019	**91,086**	96,079
Expenses before depreciation and amortization				
Direct expenses (Note 13)	**34,056**	35,160	**65,303**	67,830
General and administrative (Note 13)	**10,673**	10,877	**20,537**	20,775
	1,499	2,982	**5,246**	7,474
Interest expense (net)	**575**	588	**1,147**	1,189
Depreciation of property, plant and equipment	**946**	1,055	**1,803**	2,042
Amortization of intangible assets	**2,063**	2,066	**3,823**	3,900
Net gain on acquisition (Note 7)	**(2,653)**	-	**(2,653)**	-
Restructuring and other expenses (net) (Note 14)	**1,133**	725	**3,116**	1,110
Share of earnings from joint ventures and associates (Note 8)	**(2,315)**	(2,999)	**(3,446)**	(4,421)
Net income before income taxes	**1,750**	1,547	**1,456**	3,654
Income tax recovery	**(3,561)**	(928)	**(4,110)**	(860)
Net income for the period	**5,311**	2,475	**5,566**	4,514
Net income attributable to:				
Common shareholders	**4,939**	2,163	**4,891**	3,738
Non-controlling interests	**372**	312	**675**	776
Net income per share attributable to common shareholders per share				
Basic and diluted	**0.04**	0.02	**0.04**	0.03
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 (LOSS)
Three and six months ended June 30, 2018 and 2017

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2018	2017	**2018**	2017
	$	$	**$**	$
Net income for the period	**5,311**	2,475	**5,566**	4,514
Other comprehensive income (loss) (net of tax)				
Actuarial gain (loss) on defined benefit pension plans [1]	**879**	(2,862)	**465**	(2,302)
Currency translation adjustment [2]	**50**	(93)	**115**	(73)
Share of other comprehensive income (loss) from joint ventures and associates[1] (Note 8)	**346**	(1,172)	**109**	(935)
Other comprehensive income (loss) (net of tax)	**1,275**	(4,127)	**689**	(3,310)
Total comprehensive income (loss)	**6,586**	(1,652)	**6,255**	1,204
Total comprehensive income (loss) attributable to:				
Common shareholders	**6,175**	(1,837)	**5,559**	530
Non-controlling interests	**411**	185	**696**	674

[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, 2018 and December 31, 2017

(Expressed in thousands of Canadian dollars)
(Unaudited)

	As At	
	June 30, 2018	December 31, 2017
	$	$
Assets		
Current assets		
Cash and cash equivalents	**2,288**	3,887
Trade and other receivables	**35,239**	35,224
Inventory	**3,534**	2,256
Prepaid expenses	**2,349**	2,280
	43,410	43,647
Non-current assets		
Investments in joint ventures and associates (Note 8)	**68,814**	67,684
Other assets (Note 17)	**24,932**	27,275
Post-employment benefit asset	**4,253**	3,509
Property, plant and equipment (Note 9)	**27,852**	28,222
Intangible assets (Note 10)	**38,128**	34,267
Goodwill	**38,358**	33,008
Total assets	**245,747**	237,612
Liabilities		
Current liabilities		
Trade and other payables	**23,339**	25,021
Deferred revenue	**15,654**	9,659
Current portion of long-term debt (Note 11)	**4,894**	4,930
Other current liabilities	**2,467**	274
	46,354	39,884
Non-current liabilities		
Non-current portion of deferred revenue	**933**	996
Other non-current liabilities	**3,297**	1,608
Long-term debt (Note 11)	**36,393**	39,026
Deferred income taxes	**869**	3,803
Total liabilities	**87,846**	85,317
Equity		
Share capital	**211,802**	211,802
Contributed surplus	**8,951**	8,951
Accumulated other comprehensive loss	**(14)**	(125)
Deficit	**(82,527)**	(87,975)
Total equity attributable to common shareholders	**138,212**	132,653
Non-controlling interests	**19,689**	19,642
Total equity	**157,901**	152,295
Total liabilities and equity	**245,747**	237,612

See accompanying condensed notes to these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Three and six months ended June 30, 2018 and 2017

(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) income	(deficit)	Total	interest	equity
		$	$	$	$	$	$	$
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**
Balance, December 31, 2016	109,828,731	211,802	8,951	(15)	(87,387)	133,351	19,123	152,474
Net income for the period	-	-	-	-	3,738	3,738	776	4,514
Other comprehensive loss (net of tax)	-	-	-	(71)	(3,137)	(3,208)	(102)	(3,310)
Total comprehensive income (loss) for the period	-	-	-	(71)	601	530	674	1,204
Repurchase of non-controlling interests	-	-	-	-	-	-	(312)	(312)
Distributions to non-controlling interests	-	-	-	-	-	-	(763)	(763)
Balance, June 30, 2017	109,828,731	211,802	8,951	(86)	(86,786)	133,881	18,722	152,603

See accompanying condensed notes to these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
Three and six months ended June 30, 2018 and 2017

(Expressed in thousands of Canadian dollars)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2018	2017	**2018**	2017
	$	$	**$**	$
Operating activities				
Net income	**5,311**	2,475	**5,566**	4,514
Items not affecting cash				
Depreciation of property, plant and equipment	**946**	1,055	**1,803**	2,042
Amortization of intangible assets	**2,063**	2,066	**3,823**	3,900
Net gain on acquisition	**(2,653)**	-	**(2,653)**	-
Employee future benefit expense less than				-
of employer contributions	**(65)**	(231)	**(104)**	(355)
Deferred income tax recovery	**(3,578)**	(554)	**(4,149)**	(708)
Interest expense	**580**	594	**1,158**	1,202
Share of earnings from joint ventures and associates (Note 8)	**(2,315)**	(2,999)	**(3,446)**	(4,421)
Other non-cash items	**(16)**	(59)	**785**	(140)
Cash flow from operations before changes in non-cash operating accounts	**273**	2,347	**2,783**	6,034
Changes in non-cash operating accounts				
Trade and other receivables	**181**	(800)	**1,068**	(763)
Inventory	**(753)**	1,806	**(1,278)**	422
Prepaid expenses	**(289)**	(444)	**(42)**	(75)
Trade and other payables	**(1,119)**	(1,589)	**(4,184)**	(4,156)
Deferred revenue	**3,676**	634	**5,932**	3,448
Cash generated from operating activities	**1,969**	1,954	**4,279**	4,910
Investing activities				
Acquisitions, inclusive of assumed and related financing liabilities (note 7)	**(1,194)**	(46)	**(1,194)**	(492)
Net cash acquired on acquisitions	**442**	-	**442**	50
Investments in joint ventures and associates (Note 8)	**(500)**	-	**(678)**	-
Other investing activities	**-**	(391)	**(704)**	(717)
Proceeds from disposal of assets (Note 7)	**-**	-	**-**	2,158
Distributions received from joint ventures and associates (Note 8)	**2,014**	2,080	**4,103**	4,671
Deposits paid (Note 17)	**(22)**	(575)	**(22)**	(621)
Purchase of property, plant and equipment	**(722)**	(379)	**(1,072)**	(882)
Purchase of intangible assets	**(1,207)**	(655)	**(2,278)**	(1,031)
Cash (used in) generated from investing activities	**(1,189)**	34	**(1,403)**	3,136
Financing activities				
Distribution to non-controlling interests	**(385)**	(191)	**(648)**	(393)
Interest paid	**(557)**	(553)	**(1,112)**	(1,111)
Net repayment of long-term debt (Note 11)	**(985)**	(2,231)	**(2,715)**	(6,344)
Cash used in financing activities	**(1,927)**	(3,287)	**(4,475)**	(8,160)
Net cash (used) generated	**(1,147)**	(1,299)	**(1,599)**	(114)
Cash and cash equivalents, beginning of period	**3,435**	4,797	**3,887**	3,612
Cash and cash equivalents, end of period	**2,288**	3,498	**2,288**	3,498

See accompanying condensed notes to these interim consolidated financial statements

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

1. General business description

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

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

2. Basis of preparation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim 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, 2017, which have been prepared in accordance with IFRS as issued by the IASB.

These consolidated financial statements have been approved by the Board of Directors for issue on August 10, 2018.

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, 2017, except for the adoption of new and amended standards as set out in Note 4.

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

A number of new or amended standards became applicable for the current reporting period and the Company implemented new accounting policies to comply with the following new accounting standards:

- IFRS 9 Financial instruments, and
- IFRS 15 Revenue from Contracts with Customers.

The Company applied modified retrospective application of IFRS without restatement of comparative information. There was no material impact upon adoption, therefore, the Company has not recorded a transition adjustment for the cumulative effect of applying IFRS at January 1, 2018 as adjustment to the opening retained earnings is not material.

The new accounting policies for IFRS 15 and IFRS 9 are disclosed below.

(a) IFRS 15 Revenue from Contracts with Customers

Advertising revenue
Advertising revenue includes both digital and non-digital advertisement. The Company contracts with customers to publish advertisements in print or online which generally include one performance obligation. The Company has concluded that revenue from advertising should be recognized at the point in time when the advertisement is published. Revenue from these

contracts is recognized based on the price specified in the contracts and the payment is due immediately when the advertisement is published.

Subscription, data and services revenue
Subscription, data and services revenue includes subscription, digital products and services, and event revenues.

Subscription revenue: Subscription revenue includes both digital and non-digital subscriptions. The Company contracts with customers to provide ongoing monthly services or products. The contracts are generally not more than a year. The Company has concluded that revenue from subscriptions is recognized over the time of the subscription based on the price specified in the contracts. Payment is due at the beginning of the subscription period based on the fixed contract price. Subscription revenue for which consideration has been received in advance and is attributable to future access is deferred until such products or services are delivered.

Digital products and services: Digital products and services do not include digital subscription revenue. The Company contracts with customers to provide digital products and services, which include one performance obligation. The performance obligation is satisfied when the product is delivered or when the service is performed. Revenue from these contracts is thus recognized at a point in time based on the price specified in the contracts. Payments for these contracts are due immediately when performance obligations are satisfied.

Event revenue: The Company holds various events throughout the year. There is one performance obligation which is satisfied when the event is held. Payment is due when customers enter into the contract to attend the event. Revenue from these contracts is recognized based on the price specified in the contract when the event is held. Event revenue for which consideration has been received in advance is deferred until the event has taken place

(b) IFRS 9 Financial Instruments

From January 1, 2018, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently through fair value (either through OCI, or through profit or loss), and
- those to be measured at amortized cost using the effective interest method

The classification depends on the Company’s business model for managing the financial assets and the contractual terms of the cash flow.

For assets measured at fair value, gains and losses will be recorded directly in the statement of operations or OCI. For financial assets other than equities measured at FVOCI changes in the carrying amount will be recorded in OCI except for recognition of impairment losses, interest revenue and foreign exchange gain and losses on the instrument’s amortized cost which are recognized in income. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income (FVOCI).

When derecognized the cumulative gain or loss in OCI (on non-equity FVOIC financial assets) is reclassified from equity to income. Interest income is recognized on FVOCI financial assets using the effective interest method.

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

Measurement
At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. The transaction costs of a financial asset carried at FVPL are expensed in profit or loss

Debt instruments at amortized costs: debt instruments at amortized costs include cash and cash equivalent and trade and other receivables, and are included in current assets due to their short-term nature. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized costs. When material, interest income from these financial assets are included in finance income using the effective interest rate method. Impairment losses are presented as a separate line item in the statement of operations.

Equity instruments: The Company subsequently measures all equity instruments at fair value. Dividends from such investments continue to be recognized in profit or loss as other income when the group's right to receive payments is established. Changes in the fair value of the financial assets at FVPL are recognized in other gains/(losses) in the statement of operations as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVPL are not reported separately from other changes in fair value.

Impairment
From January 1, 2018, the Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

5. Accounting standards issued but not yet applied

In January 2016, the IASB issued IFRS 16, Leases, which supersedes IAS 17, Leases. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ("lessee") and the supplier ("lessor"). IFRS 16 is effective for annual periods beginning on or after January 1, 2019.

The most significant impacts of IFRS 16 includes the lessee's recognition of the initial present value of future lease payments as lease assets and lease liabilities on the statement of financial position, except for those leases that meet a limited exception criteria. The presentation on the statement of operations and other comprehensive income will be impacted by the new standard and will result in lease expenses being presented as depreciation and finance expenses. Net income is likely to be impacted as the timing of expenses is accelerated when applying the new standard which uses a finance lease model compared to straight line recognition.

The Company is still in the process of assessing the impact, if any, on the financial statements of this new standard.

6. Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates 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 preparing these 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, 2017.

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

7. Acquisitions and disposition

(a) In April 2018, the Company acquired the remaining 50% interest in Infomine for $3.6 million of which $2.7 million is payable quarterly over 30 months. Upon acquisition, the Company recognized $3.0 million of amortizing intangibles, $2.0 million of mastheads, $5.4 million of goodwill, $0.1 million of property, plant and equipment, $0.8 million of net working capital and $1.3 million of deferred revenue.

The Company had a deemed disposition of its investment in this operation for $4.5 million, resulting in a gain of $2.7 million. In addition, subsequent to the acquisition, the Company recognized a tax asset of $3.0 million attributable to non-capital loss carry forward and other attributes incurred by Infomine.

(b) In June 2018, the Company acquired Pro-Farmer Inc for $0.4 million. Cash consideration paid was $0.2 million. The remaining purchase price of $0.2 million was deferred and recorded in current liabilities as at June 30, 2018. The Company recognized $0.4 million in amortizing intangibles.

(c) During the first quarter of 2017, the Company sold land and buildings with a net book value of $1.9 million for net cash proceeds of $2.2 million resulting in a gain of $0.3 million.

8. 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, 2018**	As at and for the year ended December 31, 2017
	$	$
Balance, beginning of period	**67,684**	67,240
Acquisition of investments in joint ventures and associates	**1,678**	16
Share of earnings for the period	**3,446**	9,980
Share of other comprehensive loss for the period (net of tax)	**109**	(179)
Distributions and dividends received and other equity movements	**(4,103)**	(9,373)
Balance, end of year	**68,814**	67,684

In April 2018, the Company acquired a 22.5% equity interest in a digital community media operation for $1.5 million. As at June 2018, the outstanding balance of $1.0 million was deferred and payable over 18 months.

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

9. Property, plant and equipment

			As at June 30, 2018
(thousands of dollars)	**Cost**	**Accumulated depreciation and impairment**	**Carrying amount**
	$	**$**	**$**
Land and Land Improvements	**3,881**	**(140)**	**3,741**
Buildings	**12,375**	**(3,230)**	**9,145**
Production equipment	**30,417**	**(20,034)**	**10,383**
Office equipment and leaseholds	**27,562**	**(22,978)**	**4,584**
	74,235	**(46,383)**	**27,852**

			As at December 31, 2017
(thousands of dollars)	Cost	Accumulated depreciation and impairment	Carrying amount
	$	$	$
Land and Land improvements	3,881	(133)	3,748
Buildings	12,119	(3,002)	9,117
Production equipment	30,293	(19,263)	11,031
Office equipment and leaseholds	26,556	(22,229)	4,327
	72,849	(44,627)	28,222

(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:

			As at June 30, 2018
(thousands of dollars)	**Cost**	**Accumulated amortization and impairment**	**Carrying amount**
	$	**$**	**$**
Indefinite life			
Mastheads and trademarks	**52,543**	**(29,005)**	**23,538**
Finite life			
Copyrights	**10,324**	**(10,232)**	**92**
Customer relationships	**60,362**	**(53,236)**	**7,126**
Subscription lists	**3,996**	**(3,775)**	**221**
Software and websites	**30,356**	**(23,205)**	**7,151**
	157,581	**(119,453)**	**38,128**

			As at December 31, 2017
(thousands of dollars)	Cost	Accumulated amortization and impairment	Carrying amount
	$	$	$
Indefinite life			
Mastheads and trademarks	50,532	(29,005)	21,527
Finite life			
Copyrights	10,242	(10,208)	34
Customer relationships	58,150	(50,736)	7,413
Subscription lists	3,996	(3,728)	268
Software and websites	26,979	(21,953)	5,026
	149,898	(115,630)	34,267

In April 2018, the Company acquired remainder 50% interest in Infomine for $3.6 million. Upon acquisition, the Company recognized $3.0 million of amortizing intangibles, $2.0 million of mastheads, see note 7.

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

11. Long-term debt

The Company has the following long-term debt outstanding:

(thousands of dollars)	As at June 30, 2018	December 31, 2017
	$	$
Current		
ANGLP non-recourse debt	**3,808**	3,847
Term bank loan	**1,000**	1,000
Mortgages and other loans	**86**	83
	4,894	4,930
Non-current		
Revolving bank loan	**31,014**	31,265
Term bank loan	**5,100**	5,600
ANGLP non-recourse debt	**-**	1,865
Mortgages and other loans	**439**	483
Deferred financing costs	**(160)**	(187)
	36,393	39,026
	41,287	43,956

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

(thousands of dollars)	As at and for the period ended June 30, 2018	As at and for the year ended December 31, 2017
	$	$
Balance, beginning of period	**43,956**	53,609
Financing charges (net)	**46**	154
Repayment of debt	**(2,715)**	(9,807)
Balance, end of period	**41,287**	43,956

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, 2018 and 2017.

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

12. Revenue by category

(thousands of dollars)	**Three months ended June 30,** **2018**	2017	**Six months ended June 30,** **2018**	2017
	$	$	**$**	$
Advertising	31,978	35,930	64,741	69,813
Subscription, data and services	11,614	10,917	21,815	21,751
Commercial printing and other	2,636	2,171	4,530	4,514
	46,228	**49,019**	**91,086**	**96,079**

13. Expense by nature

(thousands of dollars)	**Three months ended June 30,** **2018**	2017	**Six months ended June 30,** **2018**	2017
	$	$	**$**	$
Wages and benefits	**24,589**	25,349	**47,554**	48,831
Newsprint, ink and other printing costs	**4,857**	5,175	**9,369**	10,260
Delivery costs	**3,439**	3,894	**6,815**	7,671
Rent, utilities and other property costs	**2,049**	2,224	**3,980**	4,124
Advertising, marketing and other promotion costs	**2,112**	2,234	**4,015**	4,062
Third party production and editorial costs	**2,949**	2,771	**5,681**	5,751
Legal, bank, insurance and professional services	**1,671**	1,483	**3,144**	2,783
Data services, system maintenance, telecommunications and software licences	**1,795**	1,616	**3,212**	2,976
Fees, licences and other services	**759**	659	**1,245**	1,195
Event costs	**227**	137	**480**	368
Other	**282**	495	**345**	584
	44,729	46,037	**85,840**	88,605
Direct expenses	**34,056**	35,160	**65,303**	67,830
General and administrative expenses	**10,673**	10,877	**20,537**	20,775
	44,729	46,037	**85,840**	88,605

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

14. Restructuring and other expenses (net)

(thousands of dollars)	Three months ended June 30, 2018	Three months ended June 30, 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
	$	$	**$**	$
Restructuring expenses (a)	**1,163**	616	**2,789**	1,269
Transaction and transition costs (b)	**73**	75	**222**	75
Other (income) expene (net)	**(103)**	21	**105**	(2)
Net gain on sale of assets	**-**	13	**-**	(232)
	1,133	725	**3,116**	1,110

(a) Restructuring expenses

During the period ended June 30, 2018, restructuring expenses of $1.2 million were recognized (2017: $0.6 million). Restructuring expenses include severance and other costs incurred as the Company reduced its workforce and implemented other efficiency measures.

(b) Transaction and transition costs

The Company incurred costs related to its acquisitions and divestitures completed in 2018 and 2017. 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)

15. Related party transactions

During the period ended June 30, 2018, the Company and its affiliates recorded administration, consulting, interest and other expenses of \$0.2 million (2017: \$0.2 million) from Madison Venture Corporation ("Madison") and its subsidiaries. Madison is a shareholder of the Company and certain of its officers and directors are officers and directors of the Company.

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

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

16. Segment disclosure

The Company and its subsidiaries operate in three distinct operating segments mainly throughout Canada and the United States. These segments are Environmental, Property and Financial Information, 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, property and financial 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. The Company's assets are mainly located in Canada, along with some operations in the United Kingdom and a joint venture located in the United States.

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

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

16. Segment disclosure (continued)

The following segment information is for the periods ended June 30, 2018 and 2017:

For the three months ended June 30, 2018

(thousands of dollars)	Environmental, Property and Financial Information	Commodity Information	Community Media	Total Operations	Differential[(1)]	IFRS Total
	$	$	$	$	$	$
Revenue						
Canada	4,687	11,636	33,706	50,029	(6,473)	43,556
United States	2,231	441	2,074	4,746	(2,074)	2,672
	6,918	12,077	35,780	54,775	(8,547)	46,228
Divisional earnings before interest, taxes, depreciation, and amortization	732	951	5,037	6,720	(3,069)	3,651
Centralized and corporate expenses				2,152	-	2,152
				4,568	(3,069)	1,499
Depreciation and amortization				3,541	(532)	3,009
Restructuring and other expense				1,143	(10)	1,133
Net gain on acquisition				(2,653)	-	(2,653)
Net interest expense				605	(30)	575
Share of earnings from joint ventures and associates				(123)	(2,192)	(2,315)
Income tax recovery				(3,236)	(325)	(3,561)
Net income for the period				5,291	20	5,311
Depreciation and amortization	416	677	2,449	3,542	(533)	3,009
Capital expenditures	472	1,074	504	2,050	(121)	1,929

(1) Represent the differential between the IFRS consolidated results and the consolidated results of the Company including its share of its joint ventures.

For the three months ended June 30, 2017

(thousands of dollars)	Environmental, Property and Financial Information	Commodity Information	Community Media	Total Operations	Differential[(1)]	IFRS Total
	$	$	$	$	$	$
Revenue						
Canada	4,516	12,830	35,112	52,458	(6,701)	45,757
United States	3,109	153	2,468	5,730	(2,468)	3,262
	7,625	12,983	37,580	58,188	(9,169)	49,019
Divisional earnings before interest, taxes, depreciation, and amortization	2,509	139	5,562	8,210	(3,284)	4,926
Centralized and corporate expenses				1,944	-	1,944
				6,266	(3,284)	2,982
Depreciation and amortization				3,639	(518)	3,121
Restructuring and other expense				674	51	725
Net interest expense				622	(34)	588
Share of earnings from joint ventures and associates				(713)	(2,286)	(2,999)
Income tax expense				(408)	(520)	(928)
Net income for the period				2,452	23	2,475
Depreciation and amortization	359	712	2,568	3,639	(518)	3,121
Capital expenditures	282	284	542	1,108	(74)	1,034

(1) Represent the differential between the IFRS consolidated results and the consolidated results of the Company including its share of its joint ventures.

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

16. Segment disclosure (continued)

For the six months ended June 30, 2018

(thousands of dollars)	Environmental, Property and Financial Information	Commodity Information	Community Media	Total Operations	Differential[(1)]	IFRS Total
	$	$	$	$	$	$
Revenue						
Canada	9,069	25,559	62,933	97,561	(12,398)	85,163
United States	5,324	599	4,377	10,300	(4,377)	5,923
	14,393	26,158	67,310	107,861	(16,775)	91,086
Divisional earnings before interest, taxes, depreciation, and amortization	2,281	5,454	7,616	15,351	(5,778)	9,573
Centralized and corporate expenses				4,327	-	4,327
				11,024	(5,778)	5,246
Depreciation and amortization				6,699	(1,073)	5,626
Restructuring and other expense				3,120	(4)	3,116
Net gain on acquisition				(2,653)	-	(2,653)
Net interest expense				1,217	(70)	1,147
Share of loss (earnings) from joint ventures and associates				582	(4,028)	(3,446)
Income tax recovery				(3,344)	(766)	(4,110)
Net income for the period				5,403	163	5,566
Depreciation and amortization	816	1,032	4,852	6,700	(1,074)	5,626
Capital expenditures	1,225	1,596	845	3,666	(316)	3,350

(1) Represent the differential between the IFRS consolidated results and the consolidated results of the Company including its share of its joint ventures.

For the six months ended June 30, 2017

(thousands of dollars)	Environmental, Property and Financial Information	Commodity Information	Community Media	Total Operations	Differential[(1)]	IFRS Total
	$	$	$	$	$	$
Revenue						
Canada	8,461	27,259	66,517	102,237	(12,637)	89,600
United States	6,107	372	4,907	11,386	(4,907)	6,479
	14,568	27,631	71,424	113,623	(17,544)	96,079
Divisional earnings before interest, taxes, depreciation, and amortization	4,184	4,341	8,831	17,356	(6,043)	11,313
Centralized and corporate expenses				3,839	-	3,839
				13,517	(6,043)	7,474
Depreciation and amortization				7,040	(1,098)	5,942
Restructuring and other expense				1,079	31	1,110
Net interest expense				1,277	(88)	1,189
Share of loss (earnings) from joint ventures and associates				(348)	(4,073)	(4,421)
Income tax expense (recovery)				111	(971)	(860)
Net income for the period				4,358	156	4,514
Depreciation and amortization	701	1,378	4,961	7,040	(1,098)	5,942
Capital expenditures	633	470	1,003	2,106	(193)	1,913

(1) Represent the differential between the IFRS consolidated results and the consolidated results of the Company including its share of its joint ventures.

17. Commitments and contingencies

During 2014-2017 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 2008-2016. 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 $55.8 million. The affiliate has filed notices of objection with the CRA and provincial taxing authorities and has 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.

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.

Corporate Office
2188 Yukon Street
Vancouver, BC V5Y 3P1
Phone: 604.872.8565
Fax: 604.879.1483

Glacier Media Inc.
2188 Yukon Street, Vancouver, British Columbia, Canada V5Y 3P1
Tel: 604.872.8565   Fax: 604.879.1483
www.glaciermedia.ca