

**GLACIER MEDIA INC.**  
**Annual Information Form**  
**March 29, 2018**

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## FORWARD LOOKING STATEMENTS

This Annual Information Form contains forward-looking statements regarding the future success of the Company's business that are subject to risk and uncertainties. Examples of such forward-looking statements include, but are not limited to, statements concerning: (i) the Company's intention to make future acquisitions; (ii) the Company's intention to raise additional capital as acquisition opportunities warrant; (iii) the positioning of the Company in information and marketing solutions sectors that offer growth and profit potential; (iv) the Company's intention to build businesses and cash flow base of its acquired assets; (v) the Company's intention to use cash flow to repay debt, to invest in existing operations, and to fund acquisitions; (vi) the Company's intention to maintain prudent debt to total capital levels; and (vii) the Company's intention to renegotiate its debt facility before maturity. These forward-looking statements are based on assumptions and involve known and unknown risk and uncertainties that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in these forward-looking statements. These assumptions and risks are listed below under the heading "Risk Factors" and in our annual Management's Discussion & Analysis under the heading "Business Environment and Risks" and include assumptions and risks related to the closing of acquisition transactions, dependence on key personnel, competition, growth management, risks related to newly acquired businesses, technology changes, uncertainty and dilution of additional financing, risks related to existing business operations, currency risk, the ability of the Company to sell advertising and subscriptions related to its publications, the seasonal and cyclical nature of the agricultural, mining and energy industries, continuance of governmental publishing subsidies, general market conditions in both Canada and the United States, changes in the price of purchased supplies including newsprint, tax risk, cybersecurity risk, ability to service debt and directors' and officers' involvement in other projects. Although the forward-looking statements contained herein are based upon what management believes to be current and reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. The forward-looking statements contained herein are made as of the date of this Annual Information Form and are expressly qualified in their entirety by this cautionary statement. Except as required by law, the Company undertakes no obligation to publicly update or revise any such forward-looking statements to reflect any change in its expectations or in events, conditions or circumstances on which any such forward-looking statements may be based, or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements.

## CORPORATE STRUCTURE OF THE COMPANY

### **Name, Address and Incorporation**

Glacier Media Inc. (the "Company", "Glacier" or "Glacier Media") was incorporated under the British Columbia *Company Act* on March 23, 1988 under the name "Cambridge Resources Ltd.". The Company subsequently changed its name to "Glacier Ventures International Corp." on August 26, 1997 and to "Glacier Media Inc." on July 1, 2008. Effective on September 20, 1999, the Company continued under the *Canada Business Corporations Act* ("CBCA").

The Company's business office is located at 2188 Yukon Street, Vancouver, British Columbia, V5Y 3P1 and its registered office is located at Suite 2500 - 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3.

### **Intercorporate Relationships**

See Schedule "B".

## GENERAL DEVELOPMENT OF THE BUSINESS

Over Glacier's 29 year history, the Company has transformed into 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 pursued through two operational areas:

1. Content and marketing solutions (evolution of media business); and
2. Data, analytics, and intelligence

The following is a five-year history of the Company's significant acquisitions, dispositions, and closures:

- During the year ended December 31, 2013, the Company sold two money-losing community newspapers and acquired several more profitable community media assets that provide a better strategic fit. The Company also acquired small digital media operations and entered into a partnership with *Weather INnovations Network*. This partnership was combined with *WeatherFarm*, purchased from the Canadian Wheat Board in 2012, to create the Company's new *Weather INnovations Consulting LP* ("WIN") business, through which real-time weather data and intelligence is supplied to Canadian farmers and agri-business companies;
- During the year ended December 31, 2014, the Company closed the *Kamloops Daily News* and completed the sale of its real estate property in efforts that strengthened both the Company's operating and financial position. The Company acquired a 60% interest in *Evaluate Energy Limited*, which sells *CanOils*, a Western Canadian sedimentary basin database, and *Evaluate Energy*, an international energy database which augments the rich information data and analytics already offered by the *JuneWarren-Nickle's Energy Group*. The Company also sold its interest in *Iron Solutions*
- During the year ended December 31, 2015, the Company completed the sale of a portfolio of business information products including their related digital brands to *Annex Newcom LP*;
- During the year ended December 31, 2015, the Company directly and through an associate, sold money-losing community newspapers in British Columbia and acquired more profitable community media assets that strengthen Glacier's community media operations;
- During the year ended December 31, 2015, the Company completed the acquisition of an additional 2% interest in WIN. As a result, the Company had a deemed disposition of its equity investment in WIN and acquired control of the operations. In September 2015, the Company purchased an additional 34% interest in WIN;
- During the year ended December 31, 2015, the Company closed its print operations in Saskatoon, *Printwest Communications Ltd*. Shrinking print volumes and the sale of a portfolio of trade publications earlier in the year rendered the plant uneconomical. By moving internal print jobs (e.g. *The Western Producer*) to other Company owned plants, overall profitability was increased;
- During the year ended December 31, 2015, the Company acquired *TRS Aerials* ("TRS") based in Austin, Texas. TRS owns a large collection of historical aerial images throughout the United States, an important component of *Environmental Risk Information Service* ("ERIS")'s offering to environmental consultants. The acquisition has allowed ERIS to better serve its customers while reducing its input costs;

- During the year ended December 31, 2015, the Company disposed of the majority of its ownership interest in *Grant Street Properties Inc.* The Company's ownership interest was reduced to 1% from 18% in 2014;
- In April 2016, the Company purchased the remaining ownership interest in *Evaluate Energy Ltd.* (“Evaluate”);
- In June 2017, the Company purchased an additional 5% ownership interest in Weather INnovations (“WIN”). As at December 31, 2017, the Company interest in WIN is 90%; and
- In December 2017, the Company disposed of its interest in the *Comprehensive Oilfield Service and Supply Database.*

## NARRATIVE DESCRIPTION OF THE COMPANY’S BUSINESS

### OVERVIEW

Glacier’s core focus is to operate as an information & marketing solutions company pursuing growth in sectors where the provision of essential information & related services provides high customer utility & value. The Company employs a complementary media platform and product strategy to address both the risks that digital media represents to traditional print platforms and the opportunities digital media offers in Glacier’s local community and business information markets. The strategy’s premise is that customer utility and value should drive platform utilization and product design and functionality. Underpinning the complementary platform strategy are tactics designed to help Glacier staff manage and plan for the future. The related “go to market” strategy is being pursued through two operational areas: 1) content and marketing solutions (evolution of media business) and 2) data, analytics and intelligence.

To address the challenges facing some of the businesses, the Company is implementing a strategy to transform its business and focus efforts on a narrower spectrum of operating sectors in order to deploy resources and capital in areas where long-term growth opportunities can best be realized, and Glacier has a strong competitive position.

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

#### Environmental, Property and Financial Information

- |  |   |
|--|---|
| Environmental and Property Information | <ul style="list-style-type: none"> <li>• ERIS (Environmental Risk Information Services), Specialty Technical Publishers (“STP”) and REW.ca</li> </ul> |
| Financial Information                  | <ul style="list-style-type: none"> <li>• Fundata (50% interest)</li> </ul>  |

#### Commodity Information

- |                               |   |
|-------------------------------|---|
| Agricultural Information      | <ul style="list-style-type: none"> <li>• Glacier FarmMedia (“GFM”): Western Producer, Farm Business Communications, Canada’s Outdoor Farm Show, Ag In Motion, AgDealer and Weather INnovations Network (“WIN”)</li> </ul> |
| Energy and Mining Information | <ul style="list-style-type: none"> <li>• JuneWarren-Nickle’s Energy Group (including CanOils) (“JWN”), Evaluate Energy, Northern Miner Group and Infomine (50% interest)</li> </ul>                                       |

### 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)

## **Environmental, Property and Financial Information**

### Environmental and Property

ERIS, Glacier's environmental risk information business, is the main provider in Canada of environmental site assessment information. ERIS launched into the U.S. in early 2014, and has established itself as the number two provider in the market. Environmental Site Assessment due diligence information is used by buyers and sellers of the commercial real estate and financial lenders in evaluating hazardous contamination of properties remediation probability and mortgage lending risk, amongst other things. A variety of other growth opportunities exist in environmental risk & compliance information.

Glacier's Real Estate Information group is a leading provider of real estate information and residential real estate listings in British Columbia and Ontario. Through the site, *REW.ca*, residential property listings are provided in Greater Vancouver, Vancouver Island and the Greater Toronto Area. Rich property data such as assessment value, sales prices, and market values are also on *REW.ca* in Greater Vancouver and Vancouver Island and this information will be live by spring 2018.

### Financial Information

Fundata is the market leader of mutual fund listings information in Canada and is expanding through analytics and other products and areas. It provides Glacier with steady and growing cash flow and offsets some of the cyclical risks of natural resources cash flows.

## **Commodity Information**

### Agricultural

The Company has a strong national presence in the agriculture information sector. The Company's agriculture publications, websites, weather models and networks, databases, and trade shows are the leading sources of information for Canadian farmers, ranchers, agri-businesses, and those involved in the Canadian agriculture industry. The agriculture industry is experiencing rapid change and innovation with new technologies and methods such as precision farming, an open grain marketing system and other trends increasing the need for and value of information. The Company is well positioned to capitalize on these trends.

### Energy and Mining

The energy sector is a truly global industry with strong long-term needs for information. The industry is slowly recovering from the worst cyclical downturn in its history. The Company has strong brands such as the Daily Oil Bulletin that has served the Canadian upstream oil and gas sector for decades. Given the pure scale of this sector, many information product growth opportunities exist on which the Company will be able to capitalize.

Like energy, mining is a global sector with strong long-term needs for information, in which Canada is a major player and Glacier has strong brands and market positions. The Company has been investing in its mining information products and is well positioned now that the long cyclical downturn is reversing.

## **Community Media**

### Community Media

The community media business is a mature industry but generates significant cash flow for the Company. The products continue to provide value for advertisers, and opportunities exist to leverage the local brands, marketing reach and customer relationships to generate new revenues. Efforts have been made to restructure community media assets to create greater synergy, direct value and operating simplicity for Glacier. In addition, the business is focused on expanding digital revenue opportunities by offering a number of products including retargeting services, website builds and Chinese digital marketing solutions.

## **INVESTMENT PHILOSOPHY**

Management seeks to acquire businesses that either complement the Company's existing operations or are well positioned within the broader information communications sectors, which management believes offer considerable growth and profit potential.

Glacier pursues a long-term value-oriented investment philosophy whereby businesses are acquired with a view to holding and building such assets and maximizing cash flow growth and shareholder value. While clear divestiture strategies are identified at the time of initial investment, it is the intention of the Company to build the business and cash flow base of its acquired assets over the long-term.

As a result, the Company's ongoing cash flow will be used to repay debt, invest in existing operations, and fund acquisitions, amongst other things. The Company seeks to maintain a prudent debt to total capital levels in order to augment investment returns yet maintain acceptable capital risk levels. Such leverage ratios vary depending on the cash flow levels and margins of the acquired businesses.

The Company may raise additional capital as acquisition opportunities warrant.

## **ENVIRONMENTAL, PROPERTY AND FINANCIAL INFORMATION**

### **OPERATIONS, PRODUCTS AND MARKETS**

#### ERIS - Environmental Risk Information Service

*ERIS (Environmental Risk Information Service)* is the first company to provide comprehensive data reports that assess environmental risk for commercial properties throughout North America. ERIS's customer target markets are in Canada and the US. ERIS is a leading source of current and historical property information in both jurisdictions, meeting criteria set by the *Canadian Standards Association* ("CSA") and the *American Society for Testing and Materials* ("ASTM"). Since 1999, ERIS has delivered accurate, affordable, on-demand database research services, each year adding new features that add value to a growing client base. 2017 saw continued strong momentum in the U.S. market for ERIS with strong double-digit revenue growth. ERIS's principal markets are in Canada, but ERIS has also expanded its business to all states in the United States.

ERIS is headquartered in Toronto and has a regional office in Western Canada. In the U.S., ERIS operates from an office in Austin Texas and has a sales presence in several other key markets across the US. For more information go to [www.erisinfo.com](http://www.erisinfo.com).

### Specialty Technical Publishers

*Specialty Technical Publishers* (“STP”) produces technical resource guides in the areas of environmental health and safety (EH&S), transportation, risk management, and business practices, predominately in the United States. STP publications are designed specifically for corporate compliance and audit managers, professionals, and business leaders who need practical interpretation and application of rules and regulations. STP provides regularly updated content in a range of topic areas that are relevant, current and essential to address the many pitfalls in the fields of risk management and corporate compliance. Formats include a variety of interactive online subscription services for single or multiple users. STP’s principal markets are in North America, with a particular focus on the United States. For more information on STP go to [www.stpub.com](http://www.stpub.com).

### REW.ca

*REW.ca* is British Columbia’s leading real estate listings and information portal. In 2017, *REW.ca* expanded into the Greater Toronto Area. *REW.ca* covers all types of home choices: it's the only local real estate website that searches both MLS® listings and new home developments. Users can customize, save and share their searches, and receive property alerts when new listings match their search criteria. Users can also get real-time mortgage quotes and find local real estate news and articles. *REW.ca*’s principal markets are in Canada. For more information on *REW.ca* go to [www.rew.ca](http://www.rew.ca).

### Fundata

*Fundata* was founded in 1987 to collect and distribute mutual fund pricing to Canadian newspapers and financial institutions. *Fundata* has grown into the leading investment fund and analytics provider in the Canadian marketplace. The information provided currently reaches over 80,000 advisors, millions of investors, and scores of institutions every day through a network of newspapers, web and corporate clients across North America.

*Fundata* offers its clients the most accurate and comprehensive data on Canadian Investment Funds that are available in the market. *Fundata*’s core strengths include a commitment to fast and flexible service, and superior data quality and coverage. As well, *Fundata* provides customized data feeds and web solutions.

*Fundata* historically had a primary focus on the Canadian mutual fund industry but has more recently expanded into stocks, ETFs and North American market data. Services *Fundata* offers to all clients include the distribution of raw data feeds, performance and risk data, specialized analytics, the development of customized web content and *Fund Fact Sheets*, as well as *FundProfiler*, the web and desktop based application. *Fundata*’s principal markets are Canada.

Glacier owns 50% of *Fundata*. For more information go to [www.fundata.com](http://www.fundata.com).

## **REVENUES**

Revenues for the environmental property and financial information group for the twelve months ended December 31, 2017 were \$20.0 million compared to \$16.1 million for the same period in 2016.

Information subscription and data related sales remained steady. ERIS, the Company’s environmental risk information business, continues to generate strong growth in revenues, especially in the U.S. markets. Concerted efforts to grow the Company’s environmental property and financial information revenues through its Evolve, Enrich and Extend strategy is proving successful, and resulting in continued growth in a variety of areas.

## **METHODS OF DISTRIBUTION AND MARKETING**

ERIS has market prominence. Its distribution and marketing activities are carried out by a group of well trained, sophisticated and knowledgeable regional account managers.

STP has evolved its business model from telemarketing of loose-leaf guides into sophisticated online delivery through the creation of solid, consultative relationships with customers and strategic technology partners. It has also developed its own software tool which allows subscribers to customize the STP content to manage their own particular needs.

REW.ca is BC's largest and most comprehensive online source of real estate news, listings, and information. Covering all aspects of the real estate market, *REW.ca* is currently experiencing rapid growth in page views and audience engagement in both British Columbia and Ontario.

Fundata has a leading market share in its industry and is "top of mind" particularly as it relates to listings information. Marketing is also carried out by the individual who founded and currently manages this business and has worked in this field for many years.

## **EMPLOYEES**

The environmental, property, and financial information group currently employs 116 people

## **INTANGIBLE PROPERTIES**

The ownership of intellectual property is of vital importance to all operations in this segment.

ERIS owns software and the copyright to all environmental risk reports produced. These reports are produced through the collection of environmental and other property related information from various levels of government and private sources nation-wide.

STP owns the intellectual property and copyright for all of its U.S. and Canadian publications and it recently acquired the rights in the International EH&S audit publications giving STP the worldwide exclusive rights to market and sell its own updated content covering 50 countries and jurisdictions.

REW.ca owns proprietary intellectual property.

Fundata has registered its trademarks with the applicable intellectual property offices.

## **COMPETITIVE CONDITIONS**

STP is smaller than larger corporate publishers such as *Thomson, Lexis-Nexis and Bloomberg*; however the entrepreneurial nature of its management has made the Company a competitive and respected publisher with a high level of brand awareness and customer loyalty in the niche market in which it operates.

ERIS, REW.ca, and *Fundata* compete with other companies in their respective information markets.

## SEASONALITY

There is minimal seasonality in the environmental property and financial information group's operations.

## RESEARCH, DEVELOPMENT AND NEW PRODUCTS

Glacier's environmental, property and financial information group has various new products and services under development. Sometimes, these are enhancements to existing products; in other cases, they are brand new to their respective markets. New product development is often organic in nature in that it relies on existing technological competencies and is intended to extend product life cycles or expand audience potential. In other instances, products require a "bottom-up approach" in terms of new technologies and the associated skills required for product conception, development and launch. The company will either hire full-time to bring skills in-house, or subcontract these skills.

Most often, the Company conducts its research with internal interdisciplinary teams drawn from various parts of the business to ensure sufficient expertise. When required, the Company will subcontract well-defined components of a project, most often in the software or database development areas.

Each new project has a different funding mechanism, typically depending on whether it can be operationally funded by existing product revenues. In terms of brand new initiatives, project proposals are required to produce a comprehensive business case to first validate the concept; subsequently, there is a requirement to produce well-defined return-on-investment cases before a project is sanctioned.

Typically, most research and development phases last between three and six months, depending on project complexity. Environmental, property and financial information's research, development and new products include:

- In spring 2018, REW.ca will launch Property Pages in Greater Vancouver and Vancouver Island. Property Pages provide rich market and historical data (e.g. assessed value, new listing to sales ratios, average market sales, and list prices) on over 1 million residential properties;
- STP expanded into a selection of International EH&S audit publications and Risk Management field for both U.S. and Internationally.
- ERIS launched a number of online applications, interactive tools, reports, and systems to enhance the products offered to customers including *ERIS Direct*, *ERIS Xplorer*, and Physical Setting Report.

## COMMODITY INFORMATION

### OPERATIONS, PRODUCTS AND MARKETS

#### Glacier's FarmMedia Group

Glacier FarmMedia Group ("GFM") includes *The Western Producer Publications Limited Partnership* ("WPP"), *Farm Business Communication* ("FBC"), *Food in Canada* ("FIC"), *Canada's outdoor Farm Show* ("COFS"), *Ag In Motion* ("AIM"), and *Weather INnovations Limited Partnership* ("WIN")

#### Western Producer Publications

*Western Producer Publications* ("WPP" or "Western Producer") is Canada's largest agricultural news and information organization. Its core product, *The Western Producer*, based in Saskatoon, is Western Canada's largest weekly farm paper, delivering a comprehensive package of information to farmers since 1923. Rated in independent surveys as the leading farm paper in Western Canada for both production and management information, *The Western Producer* enjoys wide circulation throughout the prairies. Every

week farmers receive award-winning agricultural news, industry features, market information, coverage of the livestock industry, agriculture finance, and farm living. Added to this solid editorial package is the largest farm classified ad section in Western Canada, extremely popular with farmers as they buy and sell. Display advertising from major agricultural suppliers completes the package.

A number of important supplements and guides are produced by WPP throughout the year, including *Seed Guide*, *Canola & Pulse Crops Producer*, *Saskatchewan Yield Guide*, and *See Scenic Saskatchewan*. Interesting and informative maps are also included each month. WPP's principal markets are in Canada.

WPP operates the leading agricultural editorial website in Western Canada, and includes Farmzilla - an on-line aggregator of classified ads from WPP, Manitoba Co-operator, Alberta Farmer Express, and AgDealer.

### Farm Business Communication

*Farm Business Communication* ("FBC") based in Winnipeg, is Canada's largest agricultural publisher with publications and online properties stretching from Alberta to Atlantic Canada. FBC's publications are leading, prominent and popular authoritative brand named publications that bring production, marketing, and managerial information to farmers and ranchers so they can strategize according to their specific conditions, resources and goals. When it comes to engaging with Canadian farmers, FBC's combination of award-winning editorial publications, new and used equipment shoppers and niche market titles make it a preferred choice for both readers and advertisers. FBC owns and operates 15 targeted farm business magazines, periodicals and regional newspapers that provide agricultural information for farmers and ranchers in Western Canada, Ontario, Quebec, and the Atlantic provinces. By virtue of their targeted periodical nature, the FBC publications complement *The Western Producer*, which covers the agricultural industry weekly on a broader basis with a greater focus on news and policy, in addition to technical information and supplements.

FBC has six editorial publications include *Manitoba Co-operator*, a weekly farm paper written for farmers across Manitoba, *Country Guide*, published 13 times a year, features strategic business case studies of successful farmers – this product is published in two editions, an Eastern Canada edition and a Western Canada edition, *Canadian Cattlemen*, a publication aimed at cattle producers, *Alberta Farmer Express*, a publication with a fulltime focus on Alberta agricultural issues, *Grainews*, a regional farm newspaper aimed at farmers in Western Canada, *Le Bulletin des Agriculteurs*, a publication that is the benchmark for new agricultural technologies in Quebec. In addition, *Commodity News Service Canada* provides daily reporting and analysis of grain and livestock markets; and, FarmBoy Production provides video presentations on a wide array of agricultural topics.

FBC produces new and used equipment publications that focus on creating the most comprehensive online and print resource available for the agricultural and grounds care markets through AgDealer (Alberta, Saskatchewan, Manitoba, Ontario, Quebec, and the Atlantic provinces). It incorporates both magazines and websites facilitating the buying and selling of agricultural machinery and equipment in Canada and digital products. FBC also produces the *Prairie Ag Catalogue*, published once a year, which features hundreds of Agricultural products and services. FBC's principal markets are in Canada.

The *Glacier FarmMedia* online network ([www.farmmedia.com](http://www.farmmedia.com)) is Canada's leading digital agricultural information and news source. The network is comprised of and supported by web properties, mobile apps and electronic newsletters associated with Glacier FarmMedia's 16 publications. It offers segmentation by geography, demographics, soil zone and language (English/French). A large part of the network is comprised of AgDealer.com (Agricultureideal.com), a leading online listing site for used farm equipment.

### Agriculture Shows

*Canada's Outdoor Farm Show* (“COFS”) takes place in Woodstock, Ontario, every September and attracts both global farm delegates and innovative agricultural technology exhibitors (seed, crop protection and equipment technology). It is also a showcase for leading-edge research by both the private sector and post-secondary community. Now in its 25<sup>th</sup> year, it is Canada's largest outdoor agricultural exposition and it is the fourth largest in North America with over 750 exhibitors and over 43,000 attendees each year. As a business-to-business gathering dedicated solely to agricultural products, equipment and services, COFS delivers agricultural advancements that help Canadian farmers and their agribusiness partners continue to produce high-quality and safe food competitively. For more information on COFS go to [www.outdoorfarmshow.com](http://www.outdoorfarmshow.com).

The Company launched the *Ag in Motion* (“AIM”) show in July 2015 in Saskatchewan as a Western Canada's first outdoor farm expo. The AIM show complements COFS in Eastern Canada. In its third year, AIM had over 400 exhibitors and over 25,000 attendees from across Canada and the northern United States. Set on 320 acres just north of Saskatoon, AIM's competitive advantage is field-based demonstrations for everything from seed technology to equipment offerings. AIM's timing takes advantage of the time frame when seeding and spraying are largely complete and well before harvest begins.

Both AIM and COFS's principal markets are in Canada and they are modeled to reflect the regional realities of farming and ranching in the east and the west. For more information on AIM go to [www.aginmotion.ca](http://www.aginmotion.ca).

### Food In Canada

*Food In Canada* (“FIC”) has been in publication since 1938. It serves the Canadian food and beverage processing industry, providing information and updates on key industry issues and trends, as well as equipment and ingredient suppliers. For more information on FIC go to [www.foodincanada.com](http://www.foodincanada.com).

### Weather Innovations Network

*Weather Innovations Network* (“WIN”) specializes in turnkey monitoring and research modeling solutions for agri-businesses, producer organizations, government agencies, researchers and others. WIN makes weather based modelling much easier to use at the farm level, and brings the best information from the information supply chain into practice. WIN is also involved with sensor manufacturing, equipment distribution, applied research and related services. WIN creates programs for producer organizations, agencies, and growers of specific commodities. WIN's fungicide timing models remain a key strength of the WIN portfolio, but client needs and requests have led to a much more multi-disciplined approach. WIN now produces programs for diseases, insects, frost mitigation, soil moisture management, harvest timing, crop insurance, research, marketing and consulting requirements. One of its core competencies is the gathering, management, and transmission of the data that supports these models. WIN also helps operate *WeatherFarm*, one of Canada's largest weather networks, with access to more than 500 stations across Western Canada providing real-time temperature, wind, rainfall data, and forecasts. The WIN team is based in Chatham, Ontario, in the heart of the province's agricultural industry. WIN provides weather-based monitoring and modelling solutions across Canada and globally through their online presence. It has expanded the services it provides to the largest agribusiness in Europe. It has also launched into the United Kingdom. For more information on WIN go to [www.weatherinnovations.com](http://www.weatherinnovations.com).

## Glacier's Energy and Mining Group

### JuneWarren-Nickle's Energy Group

The *JuneWarren-Nickle's Energy Group* ("JWN") is Canada's oldest and most recognized energy information services company. JWN produces a variety of authoritative online products, data sets, digital maps, charts and research papers for the upstream oil and gas sector. It also produces a number of related events. JWN's flagship products, for 80 years, have provided relevant and extensive coverage of the oil and gas industry. JWN has aggressively and successfully pursued a complementary platform strategy.

JWN's flagship products include the *Daily Oil Bulletin* ("DOB"), and *CanOils*. Its portfolio also now includes the popular website [www.jwnenergy.com](http://www.jwnenergy.com).

In 2017, the Company divested the *Comprehensive Oilfield Service and Supply Database (COSSD)* in order to focus on more digital products and services.

The *Daily Oil Bulletin*, which turned 80 in 2017, is a digital in-depth look at current activity in the Canadian oilpatch. Long considered the "journal of record" for the upstream oil and gas business in Canada, the *Daily Oil Bulletin* offers daily updates on drilling activity across Canada and a comprehensive recap of important news and developments affecting the upstream industry. It also contains a daily series of data visualization tools.

Other key JWN products include: *POST Report* (Project Opportunity Sourcing and Tracking), *Rig Locator* and *Stats Quarterly*.

Key conferences include *the Canadian Energy Projects Forum*, and the EPAC awards. JWN also offers educational events including *Speaker Series*, *Webinar Series* and *Oilpatch 101*.

JWN now includes the *CanOils* database which covers hundreds of companies in Canada at a level of granularity unmatched by any other data provider. *CanOils* is a subscription service supplied under license and provides a wealth of data that has taken years to collect. For more information on *CanOils* go to [www.canoils.com](http://www.canoils.com).

JWN's operations are based in Alberta where it maintains offices in Calgary and its principal markets are in Canada. It also maintains an office in London, UK. For more information on JWN go to [www.jwnenergy.com](http://www.jwnenergy.com).

### Evaluate Energy

*Evaluate Energy* ("Evaluate") is an energy information Company that provides specialized energy data to the oil and gas industry. Evaluate provides users with critical data insights into the sector and also offers the latest asset and corporate valuations, M&A deals, corporate financials, operating and asset data and refinery projects.

Evaluate offers a comprehensive database which is used by some of the world's largest companies and government agencies to track opportunities, market movements, and competition. The database, Evaluate Energy, offers deeply detailed insights into major international oil and gas companies. Evaluate is a subscription service supplied under license and provide a wealth of data that has taken years to collect.

Evaluate is now aligned completely with JWN to offer a broader range of complementary energy intelligence services, including consulting and customized reporting. Its principal markets are in Canada and England. For more information on Evaluate go to [www.evaluateenergy.com](http://www.evaluateenergy.com).

### Northern Miner Group

The *Northern Miner Group* produces a number of mining related publications including the *Canadian Mining Journal* and the *Northern Miner*, in addition to special subject matter focused supplements on topics as diverse as capital financing to mining technology. The *Northern Miner* group also provides a variety of mining related research and advisory services to the mining community in Canada and internationally. Lastly, the group organizes targeted industry events; for example, the group successfully launched the Canadian Mining Symposium in London, England in 2017. This event will be repeated in April 2018 with the format being expanded from one-day to two-days. The *Northern Miner Group* operates from Toronto and works collaboratively with the team at InfoMine. It has principal markets in Canada and internationally. For more information on The *Northern Miner Group* go to [www.northernminer.com](http://www.northernminer.com).

### InfoMine

*InfoMine* is a global provider of digital mining information and related services to the mining industry. *InfoMine's* offerings include mining cost, operating and financial data, mining news, mining career information and online mining education. *InfoMine* is headquartered in Vancouver and operates in six jurisdictions around the world including Canada, United States, Brazil, South Africa, Peru and Australia. Increasingly, *InfoMine* through its mining intelligence practice is offering clients high-value data and analysis services.

Glacier owns 50% of *InfoMine*. For more information on *InfoMine* go to [www.infomine.com](http://www.infomine.com).

## **REVENUES**

Revenues for the commodity information group for the twelve months ended December 31, 2017 were \$56.4 million compared to \$60.8 million for the same period in 2016.

The Company's commodity information revenues were impacted by the cyclical downturn in the oil & gas sector, weaker agricultural conditions and softness in the mining industry. Concerted efforts to grow the Company's commodity information revenues through its Evolve, Enrich and Extend strategy is proving successful, and resulting in continued growth in a variety of areas.

## **METHODS OF DISTRIBUTION AND MARKETING**

The Glacier FarmMedia online network ([www.farmmedia.com](http://www.farmmedia.com)) is Canada's leading online agriculture network. The network is comprised of and supported by web properties associated with the WP, FBC, the Ag Shows, and WIN. In addition to a strong online presence, WP and FBC are circulated in print formats. By having staff in the field, each brand has developed long-term, effective sales strategies as well as an excellent base of credible, meaningful, relevant information contacts. These have led to new business opportunities and established the newspapers' reputation for commitment to the agricultural industry, and farm and ranch readers. The AgCanada Network stands on five pillars: News, Markets, Listings, Weather, and Events. E-Learning, a sixth pillar, is in development and will be launched in the near future.

JWN distributes and markets mainly to the upstream petroleum sector largely through digital products. JWN delivers information and insight through events and conferences, websites, e-newsletters, online research datasets and reports, directories and training. The Company has made a strong commitment to digital advertising in products such as the DOB, CanOils and some elements of its magazine and market intelligence products. Events and conferences focus on increasing sponsorships.

Evaluate distributes and markets its services through Evaluate Energy, an online service covering global oil and gas.

The Northern Miner Group empowers users by providing a trusted mining intelligence package that includes newspapers, magazines, conferences, research and online resources.

InfoMine operates online with three primary offerings: 1) online HR solutions including a job board for mining careers and e-learning solutions; 2) database offerings including mining company, property and cost information and 3) online mining news and information through the mining.com website.

## **EMPLOYEES**

The commodity information group currently employs 337 people.

## **INTANGIBLE PROPERTIES**

The ownership of intellectual property is of vital importance to all operations in this segment.

FBC and JWN own software, mastheads and brand intellectual property.

InfoMine and WIN have registered their trademarks with the applicable intellectual property offices.

Evaluate owns proprietary intellectual property.

## **COMPETITIVE CONDITIONS**

WPP and FBC compete with organizations focused on agricultural news and information. COFS and AIM compete with other outdoor agricultural trade shows. WIN competes with other companies that provide weather-based solutions to businesses.

JWN and Evaluate compete with organizations focused on energy news and information.

The Northern Miner Group's news reporting on a bi-monthly format makes it a unique offering without an equivalent competitor. However, facing all print media outlets are online competitors in the form of mining commentary and reporting. The Northern Miner Group's magazine outlets face direct competition with other magazines reporting on Canadian mines. InfoMine competes with other online providers of mining news and information. In certain segments, such as online jobs and education, InfoMine is the recognized leader in the market. In other areas, such as mining news, companies and properties information, InfoMine faces stronger competitors.

## **SEASONALITY**

The revenue and profit for Glacier's agricultural publications are seasonal because advertising is concentrated in February, March and April, which is the pre-seeding period when advertisers seek to develop customer awareness for products, although customers also advertise throughout the remainder of the year.

The energy sector is a truly global industry with strong long-term needs for information. While the industry is currently recovering from a cyclical downturn, opportunities exist as operations continue and businesses look to reduce costs and increase efficiencies. The Company has strong brands such as the Daily Oil Bulletin that has served the Canadian oil patch for decades. Given the pure scale of this sector, many information product growth opportunities exist that the Company will be able to capitalize on as conditions improve.

Like energy, mining is recovering from a cyclical downturn. Mining is a global sector with strong long-term needs for information, in which Canada is a major player and Glacier has strong brands and market

positions. The Company has been investing in its mining information products and is well positioned for as the recent cyclical downturn reverses.

## **RESEARCH, DEVELOPMENT AND NEW PRODUCTS**

Glacier's commodity information group has various new products and services under development. New product development is often organic in nature in that it relies on existing technological competencies and is intended to extend product life cycles or expand audience potential. In other instances, products require new technologies and the associated skills required for product conception, development and launch. The company will either hire full-time to bring skills in-house, or subcontract these skills.

Most often, the Company conducts its research with internal interdisciplinary teams drawn from various parts of the business to ensure sufficient expertise. When required, the Company will subcontract well-defined components of a project, most often in the software or database development areas.

Each new project has a different funding mechanism, typically depending on whether it can be operationally funded by existing product revenues. In terms of brand new initiatives, project proposals are required to produce a comprehensive business case to first validate the concept; subsequently, there is a requirement to produce well-defined return-on-investment cases before a project is sanctioned.

Typically, most research and development phases last between three and six months, depending on project complexity. Commodity information's research, development and new products include:

- The "asset for sale" module of the *CanOils* energy database which took 12 months to research and deliver a prototype product, which is now successfully in the market;
- The mining group launched an online subscription-based daily news and data service combining the power of the Northern Miner reporting and Infomine's rich mining industry data;

## **COMMUNITY MEDIA GROUP**

The Glacier Community Media Group publishes and prints community and daily newspapers, related publications, websites and digital offerings which are the primary source of information for the communities they serve.

The weekly and daily publications extend Glacier's reach into the local and regional diversified advertising and reader markets. In Alberta, Saskatchewan and Manitoba these newspapers complement the Company's farm publications, which also have a strong presence in these markets.

The Community Media Group's publications include paid circulation products, controlled distribution products as well as total market coverage products. Each publication has an associated online property providing additional channels for the primary community information. The group is expanding digital offerings by leveraging the strong brands, community presence and local sales forces.

## **OPERATIONS, PRODUCTS AND MARKETS**

### **Newspapers and Print**

Glacier's newspapers, circulation and printing properties now cover the geographic area from British Columbia through to the eastern border of Manitoba, Ontario, Quebec and in the United States. Specifically, this group's assets include complete or partial interests in the following operations:

British Columbia

- i) *Whistler Magazine, Pique Newsmagazine, Squamish Chief, Coast Reporter, Powell River Peak, Prince George Citizen, Alaska Highway News, The Northern Horizon, Pipeline News North, Dawson Creek Mirror, Bridge River Lillooet News, Vancouver Courier, North Shore News, Burnaby Now, Richmond News, Delta Optimist, Tri-Cities News, New Westminster Record, Bowen Island Undercurrent, Living Magazine, The Growler Craft Beer Handbook and Kodiak Press.* One of these publications is daily, while the others range from weekly to biannually.
- ii) Partial interests in *Continental Newspapers Ltd.* and *The Times Colonist.* *Continental Newspapers Ltd.* publishes *The Daily Courier* (Kelowna), *The Penticton Herald, The Okanagan Saturday* and *The Okanagan Sunday.* Three of these publications are daily publications and two are combined weekly publications.
- iii) There are four printing plants serving this province.

Alberta

- i) *Alta Newspaper Group Limited Partnership,* which owns and operates a group of daily and community newspapers based in southern Alberta including the *Lethbridge Herald, Prairie Post, Medicine Hat News, Sunny South News, The Vauxhall Advance, Bow Island County Commentator, The Taber Times, Lethbridge Sun Times, Lethbridge Shopper, Medicine Hat Shopper, and Westwind Weekly News.* Two publications are dailies, nine publications are weeklies.
- ii) Partial interest in *Great West Newspapers Limited Partnership* which publishes the *St. Albert Gazette, Okotoks Western Wheel, St. Paul Journal, Elk Point Review, Bonnyville Nouvelle, Lakeland Regional, Rocky View Weekly, Barrhead Leader, Westlock News, Athabasca Advocate, Lac La Biche Post, Mountain View Gazette, Olds Albertan, Innisfail Province, Sunde Round Up, Canmore/Rocky Mountain Outlook, Airdrie City View, Calgary Prime Times, Edmonton Prime Times, and Cochrane Eagle.* All publications are weekly with the exception of *St. Albert Gazette* which is published biweekly.
- iii) There are three printing plants servicing this province.

Saskatchewan

- i) *The Assiniboia Times, Carlyle Observer, Estevan Mercury, Southeast Lifestyles, Yorkton This Week, The Tisdale Recorder, Parkland Review, The Weyburn Review, Weyburn This Week, The Battlefords News-Optimist, Humboldt Journal, Pipeline News, The Outlook, Canora Courier, Kamsack Times, The Kipling Citizen, Preeceville Progress, and Estevan Web Printing.* 15 of these publications are weekly publications, one is a biweekly, and one is a monthly.
- ii) There is one printing plant serving this province.

Manitoba

- i) *Westman Journal, The Nickel Belt News, Thompson Citizen, Flin Flon Reminder, Melita New Era, Deloraine Times & Star, Reston Recorder, Souris Plaindealer, The Corner Pocket, and Virden Empire Advance.* 8 publications are published weekly, one biweekly and one monthly.

Ontario

- i) Partial interest in *The Chronicle Journal* owned by *Continental Newspapers Ltd.* This is a daily publication. There is one printing plant servicing this area.

Quebec

- i) *The Sherbrooke Record, The Township Outlet* and *Brome County News*, owned by *Alta Newspaper Group Limited Partnership*. One publication is weekly, one publication is daily and one publication is monthly. There is one printing plant servicing this area.

United States

- i) Partial interests in *The Call of Woonsocket, Kent County Daily Times, The Times (Pawtucket), The Chariho Times, The Coventry Courier, The East Greenwich Pendulum, Yuma Sun, Porterville Recorder, The Narragansett Times, The Standard-Times (Exeter, North Kingstown and Jamestown)*, and the Palo Verde Valley Times owned by *Rhode Island Suburban Newspapers Inc.* Five of these publications are dailies, and six are weeklies.

Real Estate Pages

The Company has been synonymous with outstanding coverage of the Greater Vancouver residential real estate market delivering to the doors of the majority of households in Vancouver, North Vancouver, West Vancouver, Richmond, Port Moody, Coquitlam, Burnaby, New Westminster and Delta. Information includes homes for sale, new developments and quality editorial coverage of the housing industry and the communities.

Western Investor

*Western Investor* (“WI”), published since 1986, is Western Canada’s commercial real estate authority, with 20,000 copies delivered each month to subscribers and qualified individuals primarily across British Columbia, Alberta, Saskatchewan, and Manitoba. Every month the WI, offers more than \$2 billion of commercial real estate, franchise and business listings (approximately 1,750 separate listings), broken down geographically for easy reference. In addition to commercial real estate listing advertising, WI provides in-depth editorial features focused on industrial, commercial and investment real estate, buying or selling a business or franchise, plus news, columns, regional views, trends and much more. For more information on WI go to [www.westerninvestor.com](http://www.westerninvestor.com).

Business in Vancouver Media Group

*Business in Vancouver Media Group* (“BIVMG”) publishes *Business in Vancouver* (“BIV”), a weekly business paper serving the British Columbia business sector, with an emphasis on Metro Vancouver. BIVMG also operates BIV’s website, [www.BIV.com](http://www.BIV.com), which serves a similar but broader audience, demographically and geographically, than BIV. BIVMG publishes a number of magazines including *BC Tech, Book of Lists, CannaBiz, Gateway, Innovate, Green Space, Meeting Places BC, Meeting Places Alberta, Office Space, Property Managers’ Sourcebook, Retirement Ready, Right Course* and *Women in Business*. BIVMG is a partner in many publications including *Construction in Vancouver* (with Vancouver Regional Construction Association), *Invest in BC* (with BC Economic Development Association), *LifeSciences BC* (with LifeSciences BC, which represents the province’s biotech industry), *Vancouver Relocation Guide* (with Vancouver Board of Trade), *Sounding Board* (with Vancouver Board of Trade), and *Christmas Downtown* (with Downtown Vancouver Business Improvement Association). BIVMG also publishes the *Visitors’ Choice Sunshine Coast* which offers useful information and detailed maps promoting the Sunshine Coast.

BIVMG holds a number of business-related events including the *Forty under 40 Awards*, *Business Excellence Series*, *Influential Women in Business Awards*, BC CEO and BC CFO Awards, and *BC Export Awards*.

BIVMG publications are primarily based in the Vancouver area.

### Digital

Glacier's Digital Group has strong roots in newspaper and magazines, extending to an online audience throughout Canada and beyond. The Digital Group's product offering includes *Website Design*, *Social Media Management* and *Brand Videos*. The *Digital Group* offers *Search Engine Optimization* ("SEO") and *Search Engine Marketing* ("SEM") which improves customer website visibility including web rank by optimizing page tags, onsite content, and link building opportunities. Other services offered include *Site Remarketing*, which is a cookie-based technology used to target display ads to a user that has either previously visited a website or somehow engaged with a customer's content. *Programmatic Display* allows customers to finely target qualified audiences based on their purchase intent and serve ad impressions only to a specific audience segment. The Digital Group also offers highly unique and powerful Chinese Marketing services to a wide array of customers, which is experiencing strong growth with large market opportunity. The Digital Group has an award-winning portfolio configured for desktop, mobile and tablet viewing, optimized to captivate and engage target audiences. The Digital Group's product suite spans all demographics and media channels, delivering well over 20 million page views per month.

### **REVENUES**

Revenues for the Community Media Group for the twelve months ended December 31, 2017 were \$114.8 million compared to \$121.7 million for the same period in 2016.

The Community Media Group's operations continued to experience softness due to increased digital competition, as well as softer economic conditions in some of the markets in which the Company's operations are located. In particular, local markets in Saskatchewan, Alberta, and Northern B.C. have been significantly affected by the downturn in the energy and agriculture industries. National advertising, in particular, continues to be affected by the shift to digital advertising. Part of the decline in community media revenue, was from the sale, closure and restructuring of a group of community media assets in B.C. Restructuring continues and has resulted in large financial and operating improvements.

A wide array of sales initiatives are being pursued to find new sources of community media revenue. In particular, digital media initiatives resulted in growth in digital community media revenues and new features and supplements initiatives contributed to local revenue performance. The wide range of new revenue initiatives and focus on higher-margin revenues resulted in incremental sales that helped to offset the weaker traditional print advertising.

### **METHODS OF DISTRIBUTION AND MARKETING**

The Community Media Group distributes publications in both print and digital formats and provides products and event marketing services to both local and niche markets. The Community Media Group historically has focused its time and training of sales representatives in the print space, but in the more recent years, the digital space has become a large growth area to distribute and market to existing and new clients. Consolidation of sales and editorial efforts and review of circulation schedules have allowed publications to be more efficient and effective. The Community Media Group's brands are strong among a large demographic population including families, parents, women, seniors and non-profit and community-based organizations, including schools.

BIVMG distributes and markets through both print and digital products. BIVMG is the only business news in the market delivered weekly. BIVMG focuses delivery through paid subscriptions and partnership databases.

## **EMPLOYEES**

The Community Media Group has 1,550 employees. Glacier has collective agreements in some of the operations in British Columbia, Alberta, Saskatchewan, Ontario, and Quebec. These collective agreements expire at various times through to 2019.

## **INTANGIBLE PROPERTIES**

The Community Media Group owns intangible properties in software, trademarks, copyrights, mastheads, and branding.

## **COMPETITIVE CONDITIONS**

Many of the products in the Community Media Group face competition in their markets. In some markets, primarily British Columbia, the competition is head-to-head with similar product offerings. In many of the Company's markets competition is indirect, with vertical products, digital products and radio. However, management at all of the Community Media Group publications is working diligently to produce quality products and offer first rate customer service to advertising clients and readers in order to offset the effects of the competition.

The *Times Colonist* newspaper is considered a major metropolitan daily newspaper and is the leading newspaper in Victoria, British Columbia. There are no direct competitors for major daily papers in that market, however, the paper does compete with major national newspaper publications and smaller community publications, and digital products.

With the exception of the *Times Colonist*, all of the markets in which the Community Media Group operates are small to mid-size markets. As such, these publications have a very strong positioning in the market place as they are the primary source of local information in those markets. As a result, the competitive conditions for the Community Media Group are very different to the challenges that exist for large metropolitan daily newspapers. The Company recognizes that digital media formats present a threat but also an opportunity due to the strength and positioning of its products. The Community Media Group is now providing much of its local community content to its readers through both print and online, tablet and smartphone platforms.

The competitive landscape that BIVMG operates within is limited primarily to a monthly business magazine, business coverage within a local daily and infrequent coverage of the market in the national dailies. Competition for advertising revenue is more significant from national dailies than it is for readers – while content may not be localized, the readership is. There is far more competition for online ad dollars as many sites and platforms reach local business people due to their size and scale. BIV is the only business news in the market delivered daily and weekly.

## **SEASONALITY**

The Community Media Group's publishing business is subject to seasonal variations in revenue and profit. Advertising and subscription revenues tend to be stronger in the spring and late fall due to the patterns of advertising followed by both national and local retail advertisers.

## RESEARCH, DEVELOPMENT AND NEW PRODUCTS

Although Community Media is a maturing industry, Glacier's culture is a dynamic and entrepreneurial one with a commitment to growth through research, development and new products. Further, Glacier has put an increased focus on digital products as the Company recognizes that digital media formats present an opportunity for growth.

### Digital products

- The company is committed to ongoing product development and improvements to content management systems including website speed, ad delivery, functionality, user experience design and reduction in support requirements.

The Digital Group's research, development and new products required both contract work and in-house skill sets.

## PREMISES

The following is a summary of the premises for Glacier:

- Western Producer leases office space in Saskatoon and Guelph;
- FBC leases office space in Winnipeg and Montreal;
- COFS leases office space in Guelph, Ontario and show site in Woodstock;
- AIM leases show site in Langham, Saskatchewan;
- WIN leases its office space in Chatham, Ontario;
- JWN leases office space in Calgary;
- Evaluate Energy leases office space in London, England;
- The Northern Miner Group leases office space in Toronto and shares a portion of office space with InfoMine;
- InfoMine leases its office space in Vancouver and in the other countries in which it operates;
- ERIS leases office space in Toronto and Austin, Texas;
- BIVMG, the Vancouver Courier, REW.ca and Glacier Digital Media share leased office space in Vancouver;
- Fundata leases office space in the metropolitan Toronto area;
- STP leases office space in Vancouver;
- Kodiak Press operations lease space in Vancouver, which includes the press and office;
- The many community newspaper operations lease and own various office spaces across Canada, which house their editorial, production, sales and administrative functions; and
- Glacier's head office leases office space in Vancouver.

## LITIGATION

An affiliated entity has been named as a co-defendant in a series of disputes, investigations and legal proceedings relating to transactions between *Sun Times Media Group Inc.* (formerly *Hollinger International Inc.*) (“Sun Times”) and certain former officers and directors of Sun Times and its affiliates. The ultimate outcome of these proceedings to the affiliated entity is not determinable.

The Company and certain of its affiliates have also been named as defendants in certain legal actions incurred in the normal course of business, none of which management believes will have a material impact on the results of operations and financial position of the Company.

## RISK FACTORS

Investors in securities of the Company should consider the following risk factors, in addition to the risks described in the section “Business Environment and Risks” of the Company’s annual Management’s Discussion & Analysis which is incorporated by reference into this Annual Information Form.

### **Dependence on Key Personnel**

The Company relies on management to maintain its profitability and on the ability of its directors and officers to identify additional investments of merit. The loss of any of these personnel could have an adverse effect on the Company.

### **Competition**

Each of the Company’s publication businesses competes with a variety of other print publications and other forms of media including digital. Intensified competition in any of the markets in which Glacier competes could adversely affect the Company’s ability to conduct its operations and publish its products in the future.

### **Growth Management**

Expansion of the Company’s operations means that overall quality, reliability and good management practices become more difficult to control. Increasing the size of the management team and departmentalizing the Company’s operations increases the challenges associated with controlling costs and making effective use of resources.

### **Newly Acquired Businesses**

While acquired businesses have been profitable in the past (except development stage businesses), there is no assurance that the businesses will continue to be profitable in the future, or that the integration of these businesses into the Company’s overall operations will be successful.

Development stage business acquisitions are expected to realize future growth in revenues and realize a profit from its operations in the future, there is however no assurance that these profits will materialize and in the time frame contemplated by management.

### **Technological Changes**

The long-term success of the Company’s operations may be limited by its ability to adapt to significant advancements in both the equipment and the technology used in its operations, such as online publishing and digital media developments. The rapid pace of development in this industry has been evident over the last few years and is likely to continue into the future. The Company can provide no assurances that it will stay abreast of online publishing and digital media trends.

### **Future Capital Requirements and Uncertainty of Additional Funding**

The Company may require funding to complete further acquisitions or for other purposes in the future. Such funding may be raised through additional public or private equity or debt financings or other sources and will, if obtained by way of subsequent equity financing, result in dilution to shareholders. There is no certainty that funding will be available as and when it may be required. This would adversely affect the Company's plans for expansion.

### **Existing Operations**

While existing operations have been historically profitable, there is no assurance that they will continue to be profitable in the future.

In certain operations a portion of revenues are generated in U.S. dollars and British pounds, and as such are subject to exchange rate fluctuations. The Company continues to closely monitor this exchange risk and when deemed appropriate will take the necessary action in order to mitigate it.

For JWN, Evaluate Energy, the Northern Miner Group and the Glacier Community Media Group, the advertising cycles are seasonal and/or cyclical.

The agricultural market is seasonal because advertising is concentrated in February, March and April, which is the pre-seeding period when advertisers seek to develop customer awareness for products. This market is cyclical because international grain markets tend to dominate economic cycles in agriculture, and climate fluctuations can play a crucial role in the fortunes of the agricultural sector.

Generally, the number of farm operations has been declining as farms become more specialized. This may result in further decreases in circulation levels for agricultural publications. However, this specialization has required the use of more sophisticated technology and other factors that have created increased information needs, which may strengthen the demand for agricultural publications.

The number of large Agribusiness customers has been decreasing due to mergers of notable Life Sciences companies. This may result in decreases in advertising levels for these large companies as they face less competition.

*The Department of Canadian Heritage's Canada Periodical Fund's Aid to Publishers* program provides postal subsidies to eligible Canadian publications, including Western Producer, FBC and the Community Media Group. While this program has been in place for decades, there is no guarantee that this subsidy will continue to be offered.

The Company's publications are affected by changes in the prices of purchased supplies, including newsprint. Newsprint pricing is subject to cyclical variations. It is difficult to predict the timing and degree of these variations which may impact the budgeting and planning for the Glacier publications.

### **Taxation**

The Company is subject to the provisions of the Canadian Income Tax Act and to review by the *Canada Revenue Agency* ("CRA"). The Company files its annual tax compliance based on its interpretation of the Income Tax Act and CRA's guidance. There is no certainty that the returns and tax position of the Company will be accepted by CRA as filed. Any difference between the Company's tax filings and CRA's final assessment could impact the Company's results and financial position.

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. In connection with filing the notice of objections, the affiliate is required to make a 50% deposit of the amounts claimed by the CRA and provincial authorities as assessed. The affiliate has paid the required deposit of \$23.0 million of which \$1.3 million was paid during 2017. No further amounts are due at this time for the 2008-2015 taxation years as the appeal process continues. These payments have been recorded as other assets, within non-current assets, as the Company and its affiliate expects to ultimately be successful in its objection. The affiliate has filed a notice of objection with the CRA relating to its 2016 year.

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.

If the affiliate is successful in defending its positions, the deposits made plus applicable interest will be refunded to the affiliate. There is no assurance that the affiliate’s objections and appeals will be successful. If the CRA and provincial tax authorities are successful, the affiliate will be required to pay the remaining balance of taxes owing plus applicable interest, and will be required to write-off any remaining tax assets relating to reassessed amounts.

### **General Market Conditions**

The Company’s community media and business information groups generate revenue through the sale of advertising and subscriptions. As such, it is reliant upon general economic conditions and the spending plans of advertisers. A significant downturn in the national or regional economies may adversely affect revenues, as could significant changes in advertisers’ promotional strategies.

### **Debt**

During the year ended December 31, 2017, the Company amended its current banking agreement extending it to December 9, 2019. The facility bears interest at varying rates based on the prevailing bankers’ acceptance rate plus an acceptance fee which ranges from 2.25% to 3.25% or the bank prime rate plus 1.25% to 2.25%, depending on Glacier’s debt to earnings ratio. As part of the amended agreement, the Company entered into a term facility of \$6.6 million which expires on December 9, 2019 and requires annual principal payments of \$1.0 million, paid quarterly. The Company intends to renegotiate the debt facility before maturity. The maximum that can be drawn on the amended facility is dependent on the Company’s debt to earnings ratio. All other terms were substantially the same as under the previously existing agreement.

This amended facility is secured by a general security agreement including fixed and floating charges over all of Glacier’s and its subsidiaries’ assets.

ANGLP entered into a separate senior term loan facility with a company that is related, due to common ownership, to Glacier. The outstanding balance at December 31, 2017 was \$5.7 million. During the year ended December 31, 2017, the Company repaid its ANGLP non-recourse debt by \$3.8 million. The amended facility requires monthly payments of \$0.3 million plus interest and will be fully repaid at maturity on July 31, 2019.

The facilities bear interest at varying rates based on the prevailing bankers' acceptance rate plus an acceptance fee which ranges from 2.75% to 3.50% or the bank prime rate plus 1.38% to 2.13%, depending on ANGLP's debt to earnings ratio. The facilities are secured by a charge over the property of ANGLP.

Although the Company is current on all debt service payments and has adequate working capital, there is no assurance that future debt service payments will be met.

### **Cybersecurity and Data Protection**

An intrusion into our information systems could disrupt our operating activities, damage our reputation and result in legal actions. We mitigate these risks by ensuring that we maintain a quality and reliable technology environment for our internal and external customers, in particular by adjusting our security policy, deploying security measures and investing in our computer infrastructure.

### **Directors' and Officers' Involvement in Other Projects**

The directors of the Company will not be devoting all of their time to the affairs of the Company, but will be devoting such time as required to effectively manage the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in the search for property or business prospects for themselves or on behalf of others, including other listed companies. Accordingly, conflicts of interest may arise from time to time. Any conflicts will be subject to the procedures and remedies under the CBCA.

## **EQUITY FINANCING**

During the year ended December 31, 2016, the Company completed a rights offering which closed on July 4, 2016. Under the offering, 20,745,626 common shares were issued for net proceeds of \$13.2 million. All of the proceeds were used to reduce the Company's senior debt.

## DIRECTORS AND OFFICERS

The directors and officers of the Company, their provinces of residence, principal occupations for the last five years and share ownership are set forth in the following table.

Name, and Province of Residence and Positions with Company <sup>(5)</sup>	Principal Occupation for Past Five years	Served as a Director/ Officer Since	Number of Shares Owned or Controlled <sup>(1)</sup>	% of Shares
Sam Grippo British Columbia <i>Chairman of the Board and Director</i>	President and Chief Executive Officer of Madison Venture Corporation since 1976.	April 28, 2000	704,542 <sup>(2)</sup>	0.64% <sup>(2)</sup>
Jonathon J.L. Kennedy British Columbia <i>President, Chief Executive Officer and Director</i>	President and Chief Executive Officer, Glacier Media Inc. since 1998. Partner, Madison Group since 1997.	April 28, 2000	251,925 <sup>(2)</sup>	0.23% <sup>(2)</sup>
Bruce W. Auger <sup>(3)</sup> British Columbia <i>Secretary and Director</i>	Retired. Previously Executive Vice-President and Chief Financial Officer of Madison Venture Corporation from 1988 to 2015.	April 28, 2000	412,808 <sup>(2)</sup>	0.38% <sup>(2)</sup>
Geoffrey L. Scott <sup>(3)</sup> British Columbia <i>Director</i>	Vice President, Haywood Securities Inc., an investment dealer, since 2000.	April 28, 2000	455,900	0.42%
S. Christopher Heming British Columbia <i>Director</i>	Previously President of Specialty Technical Publishers, a division of the Company, from 2000 to 2010.	May 18, 2000	Nil	Nil
Timothy McElvaine <sup>(3)</sup> <sup>(4)</sup> British Columbia <i>Director</i>	President, McElvaine Investment Management Ltd., a private investment management Company.	April 7, 2014	4,060,000 <sup>(4)</sup>	3.7%
Orest E. Smysnuik British Columbia <i>Chief Financial Officer</i>	Chief Financial Officer, Glacier Media Inc. since January 2004. Chief Financial Officer, Lower Mainland Publishing Group Inc. from 1998 to 2004.	January 2, 2004	216,478	0.20%

Notes:

- (1) The information as to common shares beneficially owned, or controlled or directed, directly or indirectly has been provided by the directors themselves.
- (2) In addition to the holdings reported above, Messrs. Grippo, Kennedy and Auger are principals of Madison Venture Corporation, which owns or controls 32.5% of the Company.

(3) Member of the audit committee.

(4) Timothy McElvaine, is the President of McElvaine Investment Management Ltd., which is the investment manager for The McElvaine Investment Trust that exercises direction or control over (but does not own) 4,000,000 Common Shares on behalf of client accounts over which it has discretionary trading authority. Mr. McElvaine exercises such discretionary trading authority. Mr. McElvaine also exercises direction or control over an additional 60,000 Common Shares which are held by Hakuna Matata Holdings Ltd.

### **Committees of the Board of Directors**

The board of directors of the Company has established the following committees:

- Corporate Governance Committee - responsible for developing the Company's approach to governance issues and for assessing the effectiveness of the board of directors and is composed of Jonathon Kennedy, and Tim McElvaine;
- Nominating Committee – responsible for nominating members of the board of directors and is composed of Sam Grippo, Tim McElvaine, and Geoffrey Scott;
- Audit Committee - responsible for coordinating the audit process with the Company's auditors, and reviewing financial statements prior to presentation to the Board of Directors for approval and is composed of Bruce Aunger, Tim McElvaine, and Geoffrey L. Scott.
- Compensation Committee - responsible for assessing the compensation of directors, officers and senior management of the Company and is composed of Sam Grippo and Geoffrey Scott; and
- Pension Committee – responsible for the investment policies and procedures of the Company's pension plans and is composed of Bruce Aunger, David Dodd, Jonathon Kennedy, Geoffrey Scott and Orest Smysnuik. Mr. Dodd is a retired business executive with extensive experience in the oversight of pension plans.

Each person elected as a director of the Company can hold office for a term expiring not later than the close of the third annual meeting of shareholders following his or her election. The directors and senior officers of the Company hold directly, as a group, 6,101,653 Common Shares, being 5.56% of the issued and outstanding Common Shares as of December 31, 2017 (as previously indicated, Messrs. Grippo, Kennedy and Aunger are principals of Madison Venture Corporation, which owns or controls 32.5% of Glacier). The directors are each paid \$20,000 per year and \$1,000 per meeting by the Company in their capacity as directors.

The directors and officers of the Company who are non-executive officers have other business interests and do not devote all of their time to the affairs of the Company.

### **AUDIT COMMITTEE**

The text of the Audit Committee's charter is set out in Schedule "A".

Each member of the Audit Committee is independent and given their occupations and experience described below, is financially literate.

Bruce Aunger is Executive Vice President and Chief Financial Officer of Madison Venture Corporation. He is a Chartered Accountant by training, and was employed by Arthur Andersen, Chartered Accountants, for 11 years and served as a partner for 7 years. Mr. Aunger obtained a BA degree in Commerce from Simon Fraser University. He has many years' experience in the accounting, financial, taxation and financing fields.

Tim McElvaine is the founder and President of McElvaine Investment Management Ltd. He has been a Chartered Accountant for 27 years and a Chartered Financial Analyst for 24 years. Mr. McElvaine obtained a B. Comm degree from Queen's University. He has many years' experience in accounting and financial fields.

Geoffrey Scott is a Vice-President with Haywood Securities Inc. He has extensive experience in equity and finance markets.

### **Fees**

The aggregate annual fees billed by Glacier's external auditors, PricewaterhouseCoopers LLP, are estimated at \$525,036 and for the prior year were \$649,935.

### **Audit Fees**

The aggregate annual fees billed for assurance and related services by PricewaterhouseCoopers LLP that are related to the performance of the annual audit or review of Glacier's financial statements were \$523,500 and for the prior year were \$625,889.

### **Tax Fees**

The aggregate annual fees billed for professional services rendered by PricewaterhouseCoopers LLP for tax compliance, tax advice, and tax planning were \$1,536 and for the prior year were \$24,046.

### **Advisory Fees**

The annual aggregate fees billed for professional services rendered by PricewaterhouseCoopers LLP for transaction advisory services were \$nil and for the prior year were \$nil.

## **SHARE CAPITAL**

The Company's authorized capital consists of an unlimited number of common shares, an unlimited number of preferred shares and 20,000 special preferred shares. During the year ended December 31, 2016, the Company completed a rights offering which closed on July 4, 2016. Under the offering, 20,745,626 common shares were issued, No preferred shares have been issued. The 20,000 special preferred shares were repurchased and cancelled on December 20, 2000. There were 109,828,731 total common shares outstanding as at the date of this annual information form, and 109,675,806 shares outstanding net of inter-company holdings.

The common shares entitle a holder thereof to one vote for each share held at all meetings of shareholders, other than meetings at which only holders of a specified class or series are entitled to vote. The preferred shares are issuable from time to time in one or more series. The board of directors of the Company is empowered to fix the number, consideration per share and the designation and the provisions attaching to the preferred shares of each series, including the right to vote. The preferred shares of each series will rank prior to the common shares with respect to dividends and return of the amount paid up thereon. The special preferred shares entitle a holder thereof to receive non-cumulative cash dividends equal to 5% per annum of the redemption price thereof payable semi-annually. The special preferred shares are redeemable by the Company on 30 days notice at a redemption price of \$100 per share. A holder of special preferred shares is not entitled to notice of, or to vote at, meetings of shareholders. Upon liquidation, dissolution or winding up of the Company, a holder of special preferred shares is entitled to \$100 per share, together with any declared and unpaid dividends.

The Company has a stock option plan for officers, directors and certain employees. The maximum number of options available for issuance is 2,238,348.

### **DIVIDEND POLICY**

On March 30, 2011, the Board of Directors had adopted a dividend policy whereby the Board of Directors expected to declare an annual dividend of \$0.06 per share, payable semi-annually, subject to available cash resources, terms of credit facilities and declaration by the Board of Directors.

On January 22, 2013, the Board of Directors amended the dividend policy whereby the Board of Directors expected to declare an annual dividend of \$0.08 per share, payable quarterly, subject to available cash resources, terms of credit facilities and declaration by the Board of Directors.

On August 12, 2015, the Board of Directors amended the dividend policy whereby the Board of Directors decided to stop paying dividends.

The Company currently does not pay a quarterly dividend.

The Company declared dividends of \$0.08 per share and paid dividends of \$0.06 per share in 2013 <sup>(1)</sup>.

The Company declared dividends of \$0.08 per share and paid dividends of \$0.08 per share in 2014 <sup>(2)</sup>.

The Company declared dividends of \$0.04 per share and paid dividends of \$0.06 per share in 2015.

<sup>(1)</sup> The dividend declared in the fourth quarter of 2013, on November 12, 2013, of \$0.02 per share, was paid on January 3, 2014.

<sup>(2)</sup> The dividend declared in the fourth quarter of 2014, on November 13, 2014, of \$0.02 per share, was paid on January 5, 2015.

### **MARKET FOR SECURITIES**

The common shares of the Company are traded on the Toronto Stock Exchange under the symbol “GVC”. The trading price ranges and volumes traded of the Common shares of the Company for 2017 were as follows:

	Low (\$)	High (\$)	Volume for Month
January 2017	0.69	0.85	115,900
February 2017	0.66	0.75	542,300
March 2017	0.60	0.72	966,500
April 2017	0.64	0.67	43,000
May 2017	0.58	0.70	210,600
June 2017	0.61	0.75	226,700
July 2017	0.57	0.66	44,700
August 2017	0.60	0.72	119,800
September 2017	0.63	0.72	116,300
October 2017	0.56	0.70	939,000
November 2017	0.50	0.57	671,100

	<u>Low (\$)</u>	<u>High (\$)</u>	<u>Volume for Month</u>
December 2017	0.52	0.66	885,500

### INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

In the past three financial years or in the current financial year, no insiders of the Company have been involved in any material transactions with the Company except as disclosed herein.

During the year ended December 31, 2017, the Company and its affiliates recorded administration, consulting, interest and other expenses of \$0.9 million (2016: \$1.1 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 and received \$0.5 million (2016: \$0.5 million) for these services in the year ended December 31, 2017. 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.

The expenses for the related party transactions include:

<u>(thousands of dollars)</u>	<u>2017</u>	<u>2016</u>
	\$	\$
Interest (i)	<b>340</b>	461
Consulting and administration fees (ii)	<b>548</b>	552
Directors fees (iii)	<b>52</b>	53
	<b>940</b>	1,066

- (i) For the year ended December 31, 2017, \$0.3 million (2016: \$0.5 million) represents interest expense incurred by a subsidiary company on its borrowings, which was paid by Madison and reimbursed by the subsidiary. Due to the nature of the subsidiary financing, Madison is the direct and guarantor borrower for these borrowings. Madison charges a fee of 1% for the guarantee, which was \$0.1 million (2016: \$0.1 million) for the year.
- (ii) Consulting and administration fees are charged by Madison for services related to transaction work, tax and financial planning, strategic planning and administration and are at rates consistent with those charged by third parties for similar services.
- (iii) The Company paid directors fees to Madison for the Company’s non-management directors who are shareholders of Madison. These fees are the same amounts as those paid to the independent directors.

### **TRANSFER AGENTS AND REGISTRARS**

Computershare Trust Company of Canada is the registrar and transfer agent for the Company's Common Shares. Transfers of Common Shares can be affected at Computershare Trust Company of Canada's principal offices in Vancouver, British Columbia, Calgary, Alberta and Toronto, Ontario.

### **MATERIAL CONTRACTS**

Except as described herein, the Company has not entered into any material contracts in the last financial year or that are still in effect that were not in the ordinary course of business.

### **INTERESTS OF EXPERTS**

PricewaterhouseCoopers LLP are the auditors who prepared the auditors' report and the report on Canadian generally accepted audit standards for the Company's consolidated financial statements for the year ended December 31, 2017. PricewaterhouseCoopers LLP is independent from the Company in accordance with the relevant professional standards.

### **ADDITIONAL INFORMATION**

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and options to purchase securities, where applicable, is contained in the Company's information circular for its most recent annual general meeting of its shareholders. Additional financial information is provided in the Company's comparative consolidated financial statements and related management's discussion & analysis for its most recently completed financial year, a copy of which has been filed with each applicable securities commission.

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com).

## SCHEDULE "A"

### AUDIT COMMITTEE MANDATE AND CHARTER GLACIER MEDIA INC.

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#### **Purpose**

The audit committee (the "Committee") of the Board of Directors (the "Board") shall provide assistance to the Board in fulfilling its financial reporting and control responsibilities to the shareholders of the Company and the investment community. The external auditors will report directly to the Committee. The Committee's primary duties and responsibilities are to:

- a) oversee the accounting and financial reporting processes of the Company, and the audit of its financial statements, including: (i) the integrity of the Company's financial statements; (ii) the Company's compliance with legal and regulatory requirements; and (iii) the independent auditors' qualifications and independence;
- b) serve as an independent and objective party to monitor the Company's financial reporting processes and internal control systems;
- c) review and appraise the audit activities of the Company's independent auditors; and
- d) provide open lines of communication among the independent auditors, financial and senior management, and the Board for financial reporting and control matters, and meet periodically with management and with the independent auditors.

#### **Composition**

The Committee shall be comprised of at least three directors. Each Committee member shall be an "independent director" within the meaning of National Instrument 52-110 – *Audit Committees* ("NI 52-110"), as may be amended from time to time.

All members of the Committee shall, to the satisfaction of the Board, be financially literate in accordance with the requirements of the NI 52-110 (i.e. will have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements). At least one member of the Committee shall have accounting or related financial management expertise to qualify as a "financial expert". A person will qualify as "financial expert" if he or she possesses the following attributes:

- a) an understanding of financial statements and generally accepted accounting principles used by the Company to prepare its financial statements;
- b) an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;

- c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities;
- d) an understanding of internal controls and procedures for financial reporting; and
- e) an understanding of Audit Committee functions.

The Committee members will be elected annually at the first meeting of the Board following the annual general meeting of shareholders or such other time as the Board may determine.

Quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.

### **Responsibilities and powers**

Responsibilities and powers of the Committee include:

- 1) Annually reviewing and revising the Audit Committee Charter as necessary with the approval of the Board provided that this Charter may be amended and restated from time to time without the approval of the Board to ensure that that the composition of the Committee and the Responsibilities and Powers of the Committee comply with applicable laws and stock exchange rules.
- 2) Making recommendations to the Board regarding the selection, the appointment, evaluation, fees and compensation and, if necessary, the replacement of the external auditors, and assisting in resolving any disagreements between management and the independent auditors regarding financial reporting.
- 3) Approving the appropriate audit engagement fees and the funding for payment of the independent auditors' compensation and any advisors retained by the Committee.
- 4) Ensuring that the auditor's report directly to the Committee and are made accountable to the Board and the Committee, as representatives of the shareholders to whom the auditors are ultimately responsible.
- 5) Confirming the independence of the auditors, which will require receipt from the auditors of a formal written statement delineating all relationships between the auditors and the Company and any other factors that might affect the independence of the auditors and reviewing and discussing with the auditors any significant relationships and other factors identified in the statement. Reporting to the Board its conclusions on the independence of the auditors and the basis for these conclusions.
- 6) Overseeing the work of the independent auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services.

- 7) Ensuring that the independent auditors are prohibited from providing the following non-audit services and determining which other non-audit services the independent auditors are prohibited from providing:
  - i) bookkeeping and related functions
  - ii) financial information systems design and implementation;
  - iii) Valuation (other than tax-only) and appraisal preparation services;
  - iv) actuarial services; and
  - v) internal audit outsourcing.
- 8) Pre-approving all audit services, internal control related services and pre-approving any permissible non-audit engagements of the independent auditors, in accordance with applicable legislation.
- 9) Meeting with the auditors and financial management of the Company to review the scope of the proposed audit for the current year, and the audit procedures to be used.
- 10) Meeting quarterly with auditors in "in camera" sessions to discuss reasonableness of the financial reporting process, system of internal control, significant comments and recommendations and management's performance.
- 11) Reviewing with management and the independent auditors:
  - i) The Company's annual financial statements (and interim financial statements as applicable) and related footnotes, management's discussion and analysis and the annual information form, for the purpose of recommending approval by the Board prior to its release, and ensuring that:
    - a. management has reviewed the audited financial statements with the Committee, including significant judgments affecting the financial statements;
    - b. the members of the Committee have discussed among themselves, without management or the independent auditors present, the information disclosed to the Committee; and
    - c. the Committee has received the assurance of both financial management and the independent auditors that the Company's financial statements are fairly presented in conformity with Canadian GAAP in all material respects.
- 12) Satisfying itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure described in the preceding paragraph, and assessing the adequacy of such procedures periodically.
- 13) Reviewing with the independent auditors and management the adequacy and effectiveness of the financial and accounting controls of the Company.
- 14) Establishing procedures: (i) for receiving, handling and retaining of complaints received by the Company regarding accounting, internal controls, or auditing matters, and (ii) for employees to submit confidential anonymous concerns regarding questionable accounting

or auditing matters, and overseeing the complaint procedures as set out in the Company's Whistleblower Policy. Reporting to the Board on any complaints.

- 15) Reviewing with the independent auditors any audit problems or difficulties and management's response and resolving disagreements between management and the auditors and reviewing and discussing material written communications between management and the independent auditors, such as any management letter or schedule of unadjusted differences.
- 16) Making inquiries of management and the independent auditors to identify significant business, political, financial and control risks and exposures and assess the steps management has taken to minimize such risk to the Company.
- 17) Assessing the overall process for identifying principal business, political, financial, litigation and control risks and providing its views on the effectiveness of this process to the Board.
- 18) Ensuring that the disclosure of the process followed by the Board and its committees, in the oversight of the Company's management of principal business risks, is complete and fairly presented.
- 19) Obtaining reports from management that the Company is in conformity with legal requirements and the Company's Code of Business Conduct and Ethics and reviewing reports and disclosures of insider and affiliated party transactions.
- 20) Discussing any earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies.
- 21) Ensuring adequate procedures are in place for review of the Company's disclosure of financial information and assess the adequacy of these procedures from time to time as appropriate.
- 22) Ensuring that the Company's Annual Information Form and the Company's Management Information Circular contains the disclosure required by law, including such disclosure required by NI 52-110.
- 23) Reviewing with financial management and the independent auditors interim financial information, including interim financial statements, management discussion and analysis and financial press releases for the purpose of recommending approval by the Board prior to the Company publicly disclosing such information.
- 24) Reviewing and approving hiring policies for partners and employees or former partners and employees of the present and former independent auditors, as applicable.
- 25) Reviewing disclosure by management in the event that management deviates from existing approved policies and procedures which disclosure must also be contained in financial reporting sub-certification forms.
- 26) Engaging independent counsel and other advisors, without seeking approval of the Board or management of the Company, if the Committee determines such advisors are necessary to assist the Committee in carrying out its duties and setting and paying for any counsel or

advisors employed by the Committee for such purpose. The Committee shall advise the Board and management of such engagement.

- 27) Reviewing all legal actions by or against the Company.
- 28) Obtaining reports of management on all legal actions taken by or against the Company.
- 29) Discussing with the Company's legal counsel legal matters that may have a material impact on the financial statements or of the Company's compliance policies and internal controls.
- 30) Conducting special investigations, independent of the Board or management, relating to financial and non-financial related matters concerning the Company and/or any one or more of its directors, officers, employees, consultants and/or independent contractors, if determined by the Committee to be in the best interests of the Company and its shareholders. The Committee shall advise the Board with respect to the initiations of such investigations and shall periodically report any findings of such investigation to the Board.
- 31) Reporting annually to the shareholders in the Company's Annual Information Form on the carrying out of its responsibilities under this charter and on other matters as required by applicable securities regulatory authorities.

### **Meetings**

The Committee will meet regularly at times necessary to perform the duties described above in a timely manner, but not less than four times a year and any time the Company proposes to issue a press release with its quarterly or annual earnings information. Meetings may be held at any time deemed appropriate by the Committee.

The Committee shall meet periodically in separate executive sessions with management (including the Chief Financial Officer), the internal auditors and the independent auditor, and have such other direct and independent interaction with such persons from time to time as the members of the Committee deem appropriate. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The independent auditors will have direct access to the Committee at their own initiative.

The Chairman of the Committee will report periodically the Committee's findings and recommendations to the Board.

## SCHEDULE “B”

### PRINCIPAL OPERATING SUBSIDIARIES AND ASSOCIATES

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<u>Entity</u>	<u>Jurisdiction of Incorporation</u>	<u>Percentage of voting securities held directly or indirectly by Glacier</u>
1294739 Alberta Ltd.	Alberta	35%
Aberdeen Publishing Limited Partnership	British Columbia	86%
Alta Newspaper Group Limited Partnership	British Columbia	59% <sup>(1)</sup>
BIV Media Limited Partnership	British Columbia	100%
Continental Newspapers Ltd.	Canada	28%
ERIS Information Limited Partnership	Canada	100%
ERIS Information Inc.	Washington State	100%
Evaluate Energy Ltd.	UK	100%
Food in Canada Limited Partnership	British Columbia	100%
Fundata Canada Inc.	Ontario	50%
Glacier Farm Media Limited Partnership	British Columbia	100%
Local News Network Limited Partnership	British Columbia	100%
Great West Newspapers Limited Partnership	Alberta	50%
Glacier Publications Limited Partnership	British Columbia	100%
GVIC Communications Corp.	British Columbia	38%
Hawker Siddeley Canada Inc.	British Columbia	100%
Inceptus Media Limited Partnership	British Columbia	85%
InfoMine Inc.	Canada	50%
JWN Energy Limited Partnership	British Columbia	100%
KCN Capital News Company Ltd.	British Columbia	100%
KP Printing Limited Partnership	British Columbia	100%

LMP Publication Limited Partnership	British Columbia	100%
LMP Publication (Abbotsford) Limited Partnership	British Columbia	100%
LMP Publication (BCNW) Limited Partnership	British Columbia	100%
LMP Publication (Surrey) Limited Partnership	British Columbia	100%
Northern Newspapers Limited Partnership	British Columbia	100%
Peak Publishing Limited Partnership	British Columbia	100%
Prairie Newspaper Group Limited Partnership	Canada	100%
Prince George Citizen Limited Partnership	British Columbia	100%
RE Weekly Limited Partnership	British Columbia	100%
Real Estate Digital Limited Partnership	British Columbia	100%
Reassurance Directories Canada Inc.	British Columbia	100%
Rhode Island Suburban Newspapers Inc.	Delaware	48%
STP Publications Limited Partnership	British Columbia	100%
Sunshine Coast Reporter Partnership	British Columbia	100%
Swift Current Holdings Limited Partnership	British Columbia	59% <sup>(1)</sup>
Weather INnovations Consulting Limited Partnership	British Columbia	90%
Western Producer Publications Limited Partnership	British Columbia	100%
Whistler Publishing Limited Partnership	British Columbia	100%

(1) Glacier holds 51% of the voting shares of the General Partner and 59% of the Alta Newspaper Group Limited Partnership units and the Swift Current Holding Limited Partnership units.