

THIRD QUARTER 2019 MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

FORWARD-LOOKING STATEMENTS

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

The information in this report is as at November 12, 2019.

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

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

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

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

BASIS OF DISCUSSION AND ANALYSIS

The following management discussion and analysis of the financial condition and results of operations of the Company and other information is dated as at November 12, 2019 and should be read in conjunction with the Company's condensed interim consolidated financial statements and notes thereto as at and for the period ended September 30, 2019. The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of consolidated financial statements, including IAS 34,

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Interim Financial Reporting. These condensed interim consolidated financial statements include only significant events and transactions affecting the Company during the current fiscal period and do not include all disclosures normally provided in the Company's annual consolidated financial statements. As a result, these condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the period ended December 31, 2018 and related MD&A which can be obtained on the Company's website: www.glaciermedia.ca and on the System for Electronic Document Analysis and Retrieval ("SEDAR"). Interim results are not necessarily indicative of the results expected for the fiscal year.

NON-IFRS MEASURES

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

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

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

OVERVIEW OF THE BUSINESS

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

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

The data, analytics and intelligence products provide essential information, analysis and context that customers need for decision making, marketing needs, business opportunity identification and other purposes.

The Company has focused on a select group of industries that offer large addressable markets, growth opportunities and the ability to leverage its brands.

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

Through its brands and operations, Glacier serves its clients and information users in three segments: Environmental and Property Information, Commodity Information and Community Media.

ENVIRONMENTAL AND PROPERTY INFORMATION



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



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



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

COMMODITY INFORMATION



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



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

COMMUNITY MEDIA



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



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

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



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



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

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

OPERATING PERFORMANCE HIGHLIGHTS

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

(thousands of dollars)	Revenue		EBITDA	
	Three months ended September 30,			
	2019	2018	2019	2018
	\$	\$	\$	\$
Environmental, Property and Financial Information	6,012	7,850	678	1,616
Commodity Information	17,508	17,521	2,012	2,355
Community Media	35,207	36,537	2,766	2,747
Centralized and corporate costs	-	-	(2,010)	(2,163)
Total including joint ventures and associates ⁽¹⁾⁽²⁾	58,727	61,908	3,446	4,555
Joint ventures and associates	(10,471)	(13,191)	(1,357)	(2,861)
Total IFRS	48,256	48,717	2,089	1,694

(thousands of dollars)	Revenue		EBITDA	
	Nine months ended September 30,			
	2019	2018	2019	2018
	\$	\$	\$	\$
Environmental, Property and Financial Information	20,114	22,243	3,298	3,898
Commodity Information	43,180	43,679	5,855	7,809
Community Media	109,557	114,356	8,967	10,495
Centralized and corporate costs	-	-	(5,683)	(6,489)
Total including joint ventures and associates ⁽¹⁾⁽²⁾	172,851	180,278	12,437	15,713
Joint ventures and associates	(34,660)	(40,475)	(6,103)	(8,773)
Total IFRS	138,191	139,803	6,334	6,940

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(thousands of dollars, except share and per share amounts)	Three months ended September 30,		Nine month ended September 30,	
	2019	2018	2019	2018
EBITDA including joint ventures and associates ⁽¹⁾⁽²⁾	\$ 3,446	\$ 4,555	\$ 12,437	\$ 15,713
EBITDA including joint ventures and associates per share ⁽¹⁾⁽²⁾	\$ 0.03	\$ 0.04	\$ 0.11	\$ 0.14
EBITDA	\$ 2,089	\$ 1,694	\$ 6,334	\$ 6,940
EBITDA per share	\$ 0.02	\$ 0.02	\$ 0.06	\$ 0.06
Capital expenditures ⁽³⁾	\$ 1,992	\$ 2,182	\$ 8,540	\$ 5,532
Debt net of cash outstanding before deferred financing charges and other expenses	\$ 14,683	\$ 39,301	\$ 14,683	\$ 39,301
Weighted average shares outstanding, net	122,036,089	109,828,731	113,942,566	109,828,731

- (1) Certain results are presented to include the Company's proportionate share of its joint venture and associate operations, as this is the basis on which management bases its operating decisions and performance. The Company's joint ventures and associates include Continental Newspapers Ltd, Great West Newspapers Limited Partnership, the Victoria Times-Colonist, Rhode Island Suburban Newspapers, Inc., Village Media Inc. and Borden Bridge Development Corporation.
- (2) The Company sold its 50% interest in Fundata for \$55.0 million in April 2019.
- (3) Includes \$3.1 million purchase of land for Canada's Outdoor Farm Show in Woodstock, Ontario.

SIGNIFICANT DEVELOPMENTS IN 2019 AND OUTLOOK

During the quarter, the Company completed a private placement of 15,384,615 common shares at a price of \$0.65 per share for gross proceeds of \$10.0 million. The net proceeds of the private placement were initially used to pay down debt, but are intended for investment purposes and general working capital needs.

The private placement will allow the Company to pursue strategic acquisitions as they arise to increase its scale, competitiveness and operating strength while maintaining lower debt levels.

During the quarter, the Company repaid the remaining \$4.0 million of the unsecured loan with Madison Ventures Corporation. The unsecured loan was repaid and replaced with senior debt to reduce the overall cost of borrowing.

Continued progress is being made evolving the business in key identified areas of focus within business information and digital media. ERIS, STP, REW, agricultural digital media, weather, agriculture and mining shows, mining intelligence, energy and community media digital all grew during the quarter.

Print advertising revenues overall continue to decline as expected; although softness in the agricultural market impacted the agricultural group's print revenues more than expected (agricultural print revenue grew in 2018). The declines in print revenue are being largely offset by revenue growth in key data, analytics and intelligence products and digital media products consistent with the Company's strategy. The overall revenue declines in print publications had an impact on EBITDA for the quarter.

It is not expected or required that the Company's total consolidated revenue will grow in the near term as print revenues decline and the targeted growth areas of business scale. The Company's strategy is to 1) grow the data, analytics and intelligence and digital media businesses and 2) leverage the brands, market reach, content, sales force and customer relationships of its print products in business information and community media to expedite the growth of the digital media products and events.

The data, analytics and intelligence and digital media businesses typically have higher margins and higher valuations once sufficient scale is achieved or sufficient growth opportunity is evident, which means future consolidated revenue levels can be lower while creating significantly greater shareholder value.

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Approximately 70% of the Company's Environmental and Property Information and Commodity Information revenue comes from digital and events (85% of this revenue comes from data, analytics and intelligence and digital business media and 15% from events).

The company continues to make significant operating investments in some of the key strategic initiatives within the business information operations and digital community media. These operating investments have had the impact of reducing short-term profitability, but are critical to the Company's growth plan and are resulting in demonstrable value creation.

Given the uncertain North American and global economic conditions that exist and the stage of transformation some of the Company's businesses are in, the Company will operate cautiously, but believes continued investment is necessary for long-term value creation. Cost efficiency opportunities continue to be pursued where possible to help manage profitability while investment is being made.

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

OPERATIONAL PERFORMANCE

Consolidated revenue for the period ending September 30, 2019 was \$48.3 million, down \$0.5 million or 0.9% from the same period in the prior year. Consolidated EBITDA was \$2.1 million for the period, up \$0.4 million or 23.3% from the same period in the prior year.

Including the Company's share of joint ventures and associates, revenue was \$58.7 million, down \$3.2 million or 5.1% and EBITDA was \$3.4 million, down \$1.1 million or 24.3%. The decreases were partially the result of the sale of Fundata in April 2019.

The Company continues to make progress in its key growth areas in business information and digital media, which are offsetting expected print revenue declines, as demonstrated by the overall revenue performance. As stated, ERIS, STP, REW, agricultural group's digital media, weather, agriculture and mining shows, mining intelligence and energy and community media digital all grew during the quarter.

24% of the Company's consolidated consumer media revenue (community media and real estate) in British Columbia now comes from digital revenue. Revenue has also been positively impacted by the acquisition of Castanet. Continued investment in product development and softness in print advertising are still constraining EBITDA growth.

The Community Media Group's digital revenue and profitability grew as well, as progress continues to be made in the growth of the community websites, digital marketing services and specialty products & services. The acquisition of Castanet, in the second quarter of 2019, has increased the Company's digital presence in British Columbia.

The increase in EBITDA in the quarter was the result of the acquisition of Castanet, lease accounting changes and net operating performance. EBITDA was impacted by softness in print community media, agricultural advertising and increased operating investments made in some of the key strategic initiatives, including the REW real estate portal, agriculture show expansion, new weather and agricultural markets subscription-based products, mining data and intelligence information products and new digital community media products.

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



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

At September 30, 2019, senior debt decreased to \$16.7 million. The net proceeds of the \$10.0 million private placement were initially used to pay down debt, but are intended for investment purposes and general working capital needs. Increased capital investments were made in the Company's key growth initiatives, particularly ERIS, REW and the agricultural shows. The remaining \$4.0 million of unsecured loan with Madison was repaid in the quarter. The unsecured loan was repaid and replaced with senior debt to lower the overall cost of borrowing. The Company's consolidated non-recourse, non-mortgage debt is in a nil position net of cash on hand as a result of significant debt repayment. This will allow for increased distributions from joint ventures and associates to the Company in the future.

The Company also has \$4.4 million of deferred purchase price obligations owing over the next two years and \$10.0 million of a vendor-take back receivable from Fundata over the next four years.

REVENUE

Glacier's consolidated revenue for the period ended September 30, 2019 was \$48.3 million compared to \$48.7 million for the same period in the prior year.

ENVIRONMENTAL AND PROPERTY INFORMATION

The Environmental and Property Information group generated revenue of \$6.0 million for the period ended September 30, 2019, as compared to \$5.5 million for the same period in the prior year.

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

REW, the Company's online real estate portal, continues to grow in terms of site features, traffic and revenues. REW has expanded to offer listings nationally across Canada.

COMMODITY INFORMATION

The Commodity Information group generated revenue of \$17.5 million for the period ended September 30, 2019, as compared to \$17.5 million for the same period in the prior year.

Conditions in the agricultural market continue to be soft amid uncertainty from trade disputes and the consolidation of major crop input companies. These adverse conditions weighed on third quarter performance. The Company did, however, continue to invest in and see growth in key agricultural information operations such as outdoor shows and online listings. Both Ag in Motion and Canada's Outdoor Farm Show were held in the third quarter. Together, show revenue increased by 9.0%.

The energy group revenue grew during the quarter. The Company's mining operations, the Northern Miner and Infomine, operated in choppy market conditions. Both mining shows and mining intelligence revenues grew. Significant efforts have been made to improve the mining intelligence and digital offerings.

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COMMUNITY MEDIA

(thousands of dollars)	Revenue		EBITDA	
	Three months ended September 30,			
	2019	2018	2019	2018
	\$	\$	\$	\$
Community Media including joint ventures and associates	35,207	36,537	2,766	2,747
Joint ventures and associates	(10,471)	(10,768)	(1,357)	(1,514)
Community Media IFRS	24,736	25,769	1,409	1,233

(thousands of dollars)	Revenue		EBITDA	
	Nine months ended September 30,			
	2019	2018	2019	2018
	\$	\$	\$	\$
Community Media including joint ventures and associates	109,557	114,356	8,967	10,495
Joint ventures and associates	(32,178)	(33,299)	(4,769)	(4,880)
Community Media IFRS	77,379	81,057	4,198	5,615

The Community Media Group generated \$24.7 million of revenue for the period ended September 30, 2019, as compared to \$25.8 million for the same period in the prior year.

Including the Company's share of joint ventures and associates, the Community Media Group's revenue was \$35.2 million, as compared to \$36.5 million for the same period in the prior year.

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

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

GROSS PROFIT

Glacier's consolidated gross profit, being revenues less direct expenses, for the period ended September 30, 2019 was \$11.9 million compared to \$12.0 million for the same period in the prior year. The net change in gross profit was largely the result of the acquisition of Castanet, which was offset by increased operating investments made in some of the key strategic initiatives, including the REW real estate portal, agriculture show expansion, new weather and agricultural markets subscription-based products, mining data and intelligence information products and new digital community media products.

Gross profit as a percentage of revenues ("gross profit margin") for the period ended September 30, 2019 was 24.6% as compared to 24.6% for the same period in the prior year.

GENERAL & ADMINISTRATIVE EXPENSES

Glacier's consolidated general and administrative expenses were \$9.8 million for the period ended September 30, 2019, down from \$10.3 million for the same period in the prior year. While the Company continues to focus on reducing administration costs in its general operations, the Company continues to invest in its infrastructure

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to support its growth opportunities and digital products. Additionally, general and administrative expenses decreased \$1.0 million as a result of the adoption of IFRS 16 and the change in the accounting for leases, which removes the base rent cost of the lease from general and administrative expenses and moves it to depreciation and interest, as described below.

EBITDA

EBITDA was \$2.1 million for the period ended September 30, 2019 as compared to \$1.7 million for the same period in the prior year. The results are due to the various reasons stated under "Revenue, Gross Profit and General & Administrative Expenses".

NET INTEREST EXPENSE, DEBT

Glacier's consolidated net interest expense for the period ended September 30, 2019 was \$0.5 million as compared to \$0.6 million for the same period in the prior year. Overall, senior debt was reduced in the quarter as the net proceeds of the private placement were used to reduce the debt level until such time they are needed for investment purposes and general working capital needs.

INTEREST EXPENSE, LEASE LIABILITIES

Interest expense relating to lease liabilities for the period ended September 30, 2019 was \$0.2 million as compared to nil for the same period in the prior year. Interest expense from lease liabilities resulted from the implementation of IFRS 16 Leases.

DEPRECIATION AND AMORTIZATION

Depreciation of property, plant and equipment and amortization of intangible assets for the period ended September 30, 2019 decreased \$0.3 million as compared to the same period for the prior year. Certain intangible assets became fully amortized at the end of the first quarter of 2019. Depreciation of right-of-use assets for the period ended September 30, 2019 was \$0.9 million as compared to nil in the same period in the prior year. Depreciation expense from right-of-use assets resulted from the implementation of IFRS 16 Leases.

RESTRUCTURING AND OTHER EXPENSES (NET)

Restructuring and other expenses (net) for the period ended September 30, 2019 were \$1.7 million compared to \$1.3 million for the same period in the prior year. These expenses include restructuring costs (from the closure or divestiture of operations, or part of operations; including severance, redundant office costs and other direct closure costs during transition periods), transaction costs, foreign exchange, severance expense, other income and other expenses.

SHARE OF EARNINGS FROM JOINT VENTURES AND ASSOCIATES

Share of earnings from joint ventures and associates, which include the Company's share of Continental Newspapers Ltd. ("Continental"), Great West Newspapers Limited Partnership ("GWNLP"), the Victoria Times-Colonist, Rhode Island Suburban Newspapers, Inc. ("RISN"), Village Media Inc. ("Village") and other joint ventures and associates, increased \$0.2 million as compared to the same period for the same period in the prior year. The Company's share of Fundata's results have been included in the share of earnings from joint ventures and associates up to March 31, 2019. In April 2019, the Company sold its interest in Fundata.

(thousands of dollars)	As at	
	September 30, 2019	December 31, 2018
	\$	\$
Assets	66,093	79,890
Liabilities	16,081	23,285
Net assets	50,012	56,605

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

	For the three months ended	
	September 30, 2019	September 30, 2018
	\$	\$
Revenues	10,471	13,191
EBITDA	1,357	2,861
Net income for the period	462	304

	For the nine months ended	
	September 30, 2019	September 30, 2018
	\$	\$
Revenues	34,660	40,475
EBITDA	6,103	8,773
Net income for the period	3,152	3,750

NET INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS

Net loss attributable to common shareholders decreased by \$1.9 million compared to the same period in the prior year. The change resulted from i) higher operating results of \$0.4 million, ii) lower interest expense on debt of \$0.2 million, iii) higher share of earnings from joint ventures and associates of \$0.2 million, and iv) a higher income tax recovery (comparative period had income tax expense) of \$2.5 million. This was partially offset by i) higher interest expense from lease liabilities of \$0.2 million, ii) higher depreciation and amortization of \$0.6 million (including to depreciation of right-of-use assets), iii) higher restructuring and other expenses (net) of \$0.4 million, and iv) higher non-controlling interests of \$0.1 million.

OTHER COMPREHENSIVE LOSS (NET OF TAX)

For the period ended September 30, 2019, Glacier recognized other comprehensive loss (net of tax) of \$0.1 million. The loss related to the actuarial loss on defined benefit pension plans resulting from the change in actuarial assumptions, mainly the discount rate and foreign currency fluctuations.

CASH FLOW FROM OPERATIONS

Glacier's consolidated cash flow from operations was \$0.3 million (before changes in non-cash operating accounts) for the period ended September 30, 2019 as compared to \$0.6 million for the same period in the prior year. The change in cash flow from operations resulted from the factors stated under "Revenue, Gross Profit, General & Administrative Expenses and EBITDA".

Capital expenditures were \$2.0 million for the period ended September 30, 2019 compared to \$2.2 million for the same period in the prior year. The majority of the current period expenditures relate to the agricultural show site development, leasehold improvements and software development. Prior year capital expenditures related to software development, hardware costs, leasehold improvements and infrastructure for the agricultural shows.

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

CONTINGENCY

During 2014-2018 an affiliate of the Company ("the affiliate") received, from the Canada Revenue Agency ("CRA") and provincial tax authorities, tax notices of reassessments and assessments relating to the taxation years 2008-2017. The notices deny the application of non-capital losses, capital losses, scientific research and experimental development ("SR&ED") pool deductions and SR&ED tax credits claimed. As a result additional taxes payable including interest and penalties are approximately \$57.7 million. The affiliate has filed notices of objection with the CRA and provincial taxing authorities and has substantially paid the required deposits, which has been recorded in other assets.

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

SELECTED THIRD QUARTER INFORMATION

The following outlines selected financial statistics and performance measures for Glacier, on an IFRS basis (other than the non-IFRS measures noted) for the periods ended September 30, 2019 and 2018:

<i>(thousands of dollars) except share and per share amounts</i>	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
Revenue	\$ 48,256	\$ 48,717	\$ 138,191	\$ 139,803
Gross profit ⁽²⁾	\$ 11,877	\$ 11,995	\$ 35,856	\$ 37,778
Gross margin	24.6%	24.6%	25.9%	27.0%
EBITDA ⁽¹⁾	\$ 2,089	\$ 1,694	\$ 6,334	\$ 6,940
EBITDA margin ⁽¹⁾	4.3%	3.5%	4.6%	5.0%
EBITDA per share ⁽¹⁾	\$ 0.02	\$ 0.02	\$ 0.06	\$ 0.06
Net interest expense, debt	\$ 460	\$ 616	\$ 2,185	\$ 1,763
Net income (loss) attributable to common shareholders	\$ (3,166)	\$ (5,096)	\$ 35,415	\$ (205)
Net income (loss) attributable to common shareholders per share	\$ (0.03)	\$ (0.05)	\$ 0.31	\$ 0.00
Cash flow from operations	\$ 802	\$ 649	\$ 3,872	\$ 3,432
Cash flow from operations per share	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.03
Capital expenditures ⁽³⁾	\$ 1,992	\$ 2,182	\$ 8,540	\$ 5,532
Total assets	\$ 270,883	\$ 241,168	\$ 270,883	\$ 241,168
Total non-current financial liabilities	\$ 30,360	\$ 42,490	\$ 30,360	\$ 42,490
Debt net of cash outstanding before deferred financing charges and other expenses	\$ 14,683	\$ 39,301	\$ 14,683	\$ 39,301
Equity attributable to common shareholders	\$ 175,641	\$ 134,177	\$ 175,641	\$ 134,177
Weighted average shares outstanding, net	122,036,089	109,828,731	113,942,566	109,828,731

Notes:

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

⁽²⁾ Gross profit for these purposes excludes depreciation and amortization.

⁽³⁾ Includes \$3.1 million purchase of land for Canada's Outdoor Farm Show in Woodstock, Ontario.

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

- Operating performance of the Company's various business units and general market conditions during the reported years;
- Revenues continue to be impacted by the weaker community media industry, the cyclical nature of certain of Glacier's businesses, including the low price of oil and fluctuating conditions in the agriculture industry. This is partially offset by increased revenue from growth in the environmental and property operations and digital revenue growth within the Community Media Group;
- In July 2019, the Company completed a private placement of 15,384,615 common shares at a price of \$0.65 per share for gross proceeds of \$10.0 million;
- The acquisition of Castanet in April 2019, and the inclusion of the revenue, expenses and balance sheet in the current period;
- The adoption of IFRS 16 Leases has resulted in an increase in EBITDA for the period ended September 30, 2019 of \$1.0 million. Interest of \$0.2 million on the lease liabilities and depreciation of \$0.9 million of the right-of-use assets are charged to the statement of operations below EBITDA for the period ended September 30, 2019. Additionally, the balance sheet was affected by the inclusion of the right-of-use assets and lease liabilities, which brings the leases on balance sheet. As a result, total assets increased by \$11.9 million, current liabilities increased by \$3.1 million and non-current liabilities increased by \$9.1 million as at September 30, 2019; and

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- Fluctuations in restructuring expenses including severance payments, transaction and transition expenses, and other amounts related to the closure and sale of certain community media assets.

SUMMARY OF QUARTERLY RESULTS

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

<i>(thousands of dollars) except share and per share amounts</i>	Trailing 12 Months	Q3 2019	Q2 2019	Q1 2019	Q4 2018
Revenue	\$ 186,760	\$ 48,256	\$ 45,673	\$ 44,262	\$ 48,569
EBITDA ⁽¹⁾	\$ 9,817	\$ 2,089	\$ 2,284	\$ 1,961	\$ 3,483
EBITDA margin ⁽¹⁾	5.3%	4.3%	5.0%	4.4%	7.2%
EBITDA per share ⁽¹⁾	\$ 0.09	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.03
Net interest expense, debt	\$ 2,885	\$ 460	\$ 834	\$ 891	\$ 700
Net income (loss) attributable to common shareholders	\$ 36,274	\$ (3,166)	\$ 40,057	\$ (1,476)	\$ 859
Net income (loss) attributable to common shareholders per share	\$ 0.32	\$ (0.03)	\$ 0.36	\$ (0.01)	\$ 0.01
Cash flow from operations	\$ 6,446	\$ 802	\$ 1,370	\$ 1,700	\$ 2,574
Cash flow from operations per share	\$ 0.06	\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.02
Capital expenditures	\$ 10,603	\$ 1,992	\$ 1,701	\$ 4,847	\$ 2,063
Debt net of cash outstanding before deferred financing charges and other expenses	\$ 14,683	\$ 14,683	\$ 22,730	\$ 43,658	\$ 38,882
Equity attributable to common shareholders	\$ 175,641	\$ 175,641	\$ 168,891	\$ 130,061	\$ 132,033
Weighted average shares outstanding, net	112,905,654	122,036,089	109,828,731	109,828,731	109,828,731

	Trailing 12 Months	Q3 2018	Q2 2018	Q1 2018	Q4 2017
Revenue	\$ 188,493	\$ 48,717	\$ 46,228	\$ 44,858	\$ 48,690
EBITDA ⁽¹⁾	\$ 13,041	\$ 1,694	\$ 1,499	\$ 3,747	\$ 6,101
EBITDA margin ⁽¹⁾	6.9%	3.5%	3.2%	8.4%	12.5%
EBITDA per share ⁽¹⁾	\$ 0.12	\$ 0.02	\$ 0.01	\$ 0.03	\$ 0.06
Net interest expense, debt	\$ 2,538	\$ 616	\$ 575	\$ 572	\$ 775
Net (loss) income attributable to common shareholders	\$ (6,149)	\$ (5,096)	\$ 4,939	\$ (48)	\$ (5,944)
Net (loss) income attributable to common shareholders per share	\$ (0.06)	\$ (0.05)	\$ 0.04	\$ 0.00	\$ (0.05)
Cash flow from operations	\$ 7,821	\$ 649	\$ 273	\$ 2,510	\$ 4,389
Cash flow from operations per share	\$ 0.07	\$ 0.01	\$ 0.00	\$ 0.02	\$ 0.04
Capital expenditures	\$ 7,139	\$ 2,182	\$ 1,929	\$ 1,421	\$ 1,607
Debt net of cash outstanding before deferred financing charges and other expenses	\$ 39,301	\$ 39,301	\$ 39,159	\$ 38,984	\$ 40,265
Equity attributable to common shareholders	\$ 134,177	\$ 134,177	\$ 138,212	\$ 132,037	\$ 132,653
Weighted average shares outstanding, net	109,828,731	109,828,731	109,828,731	109,828,731	109,828,731

Notes:

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

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

- Operating performance of the Company's various business units, including cost-reduction initiatives and general market conditions during the reported periods;
- In July 2019, the Company completed a private placement of 15,384,615 common shares at a price of \$0.65 per share for gross proceeds of \$10.0 million;
- The acquisition of Castanet Media in April 2019, for a purchase price of \$22.0 million. \$19.0 million was paid up front with the remaining payable over two years. The acquisition resulted in goodwill of \$7.8 million, mastheads of \$7.0 million and customer relationships of \$5.2 million;
- The sale of Fundata in April 2019, resulting in a gain on sale of \$47.6 million. The sale price was \$55.0 million, \$45.0 million cash was received up front with the remaining \$10.0 million receivable over four years;

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- The adoption of IFRS 16 Leases changes the accounting treatment for leases from operating lease. Previously, leases were off balance sheet with operating costs recorded in general and administrative expenses. Effective January 1, 2019, leases are recorded as right-of-use assets with a related lease liability and are expensed through depreciation and interest expense;
- In June 2018, the Company made an adjustment due to an accounting change reflecting the transition in operations to a solely digital, subscription based business. The change coincides with operational changes being made at STP, including the phasing out of the paper versions of the product, and results in revenue being deferred over the term of the subscription contracts;
- In April 2018, the Company acquired the remaining 50% of Infomine for \$3.6 million and a gain on acquisition of \$2.7 million. In the third quarter, the Company reviewed and updated the original purchase price accounting to include a deferred asset as part of the original assets acquired, thereby reducing goodwill and deferred tax recovery by \$3.0 million;
- In April 2018, The Company acquired a 22.5% equity interest in Village Media Inc., a digital community media operation for \$1.5 million; and
- In the fourth quarter of 2017, the Company sold the COSSD for a non-cash loss of \$6.5 million.

EBITDA RECONCILIATION

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

<i>(thousands of dollars) except share and per share amounts</i>	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
Net income (loss) attributable to common shareholders	\$ (3,166)	\$ (5,096)	\$ 35,415	\$ (205)
Add (deduct):				
Non-controlling interests	\$ 231	\$ 101	\$ 2,375	\$ 776
Net interest expense, debt	\$ 460	\$ 616	\$ 2,185	\$ 1,763
Interest expense, lease liability	\$ 170	\$ -	\$ 504	\$ -
Depreciation and amortization	\$ 3,516	\$ 2,884	\$ 10,614	\$ 8,510
Net gain on disposition or acquisition	\$ -	\$ -	\$ (47,713)	\$ (2,653)
Restructuring and other expenses (net)	\$ 1,686	\$ 1,333	\$ 4,306	\$ 4,449
Share of earnings from joint ventures and associates	\$ (462)	\$ (304)	\$ (3,152)	\$ (3,750)
Income tax expense (recovery)	\$ (346)	\$ 2,160	\$ 1,800	\$ (1,950)
EBITDA ⁽¹⁾	<u>\$ 2,089</u>	<u>\$ 1,694</u>	<u>\$ 6,334</u>	<u>\$ 6,940</u>
Weighted average shares outstanding, net	<u>122,036,089</u>	<u>109,828,731</u>	<u>113,942,566</u>	<u>109,828,731</u>
Net income (loss) attributable to common shareholders per share	<u>\$ (0.03)</u>	<u>\$ (0.05)</u>	<u>\$ 0.31</u>	<u>\$ 0.00</u>
EBITDA per share ⁽¹⁾	<u>\$ 0.02</u>	<u>\$ 0.02</u>	<u>\$ 0.06</u>	<u>\$ 0.06</u>

Notes:

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

SUMMARY OF FINANCIAL POSITION, FINANCIAL REQUIREMENTS AND LIQUIDITY

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

As at September 30, 2019, Glacier had consolidated cash and cash equivalents of \$4.8 million, current and long-term debt of \$19.5 million before adjustment for deferred financing fees attributable directly to the issuance of long-term debt, and working capital of \$15.9 million excluding deferred revenue. The calculation of working

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capital includes the current portion of lease liabilities in September 30, 2019, but not in the comparative period as the change resulting from IFRS 16 *Leases* did not take effect until January 1, 2019. Glacier's actual cash working capital is greater than reflected by the amounts indicated on the consolidated balance sheet due to deferred revenue relating to renewals and subscriptions that have been paid for by subscribers but not yet delivered; and the costs associated with the fulfillment of this liability are less than the amount indicated in current liabilities.

Capital expenditures were \$2.0 million for the period ended September 30, 2019 compared to \$2.2 million for the same period in the prior year. The majority of the current year expenditures relate to the agricultural show site development, leasehold improvements and software development. Prior year capital expenditures related to software development, hardware costs, leasehold improvements and infrastructures for the agricultural shows.

CHANGES IN FINANCIAL POSITION

(thousands of dollars)	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
	\$	\$	\$	\$
Cash generated from (used in)				
Operating activities	1,970	2,316	1,599	6,595
Investing activities	(2,199)	(1,579)	18,386	(2,982)
Financing activities	646	648	(18,258)	(3,827)
Increase (decrease) in cash	417	1,385	1,727	(214)

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

OPERATING ACTIVITIES

Glacier generated cash from operations before changes in non-cash operating accounts of \$0.3 million compared to \$0.6 million for the same period in the prior year as a result of the factors stated under Revenue, Gross Profit, General & Administrative Expenses and EBITDA. Cash flow generated from operations after changes in non-cash working capital was \$2.0 million compared to \$2.3 million for the same period in the prior year.

INVESTING ACTIVITIES

Cash used in investing activities totalled \$2.2 million for the period ended September 30, 2019 as compared to \$1.6 million for the same period in the prior year. Investing activities included \$2.0 million of capital expenditures, distributions received of \$1.7 million, and other investing activities \$1.9 million.

FINANCING ACTIVITIES

Cash generated from financing activities was \$0.6 million for the period ended September 30, 2019 compared to \$0.6 million for the same period in the prior year. The Company had net repayments of \$7.6 million (including the \$4.0 million repayment of the Madison loan), issued shares through a private placement for \$10.0 million, distributions to non-controlling interests of \$0.4 million, interest paid on long-term debt of \$0.4 million, interest paid on lease liabilities of \$0.2 million and principal repayment of lease liabilities of \$0.8 million.

OUTSTANDING SHARE DATA

As at September 30, 2019 and November 12, 2019 there were 125,213,346 common shares and 1,115,000 share purchase warrants outstanding.

On July 19, 2019, the Company completed private placement of 15,384,615 common shares at a price of \$0.65 per share for gross proceeds of \$10.0 million.

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The warrants outstanding allow the holder to purchase one common share per warrant at \$4.48 per share. The warrants expire on June 28, 2029, unless extended.

CONTRACTUAL AGREEMENTS

As at September 30, 2019, the Company has agreements with a syndicate of major Canadian banks whereby the lenders provide a revolving loan facility with no required principal repayments during its term.

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

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

(thousands of dollars)	Total	2019	2020	2021	2022	2023	Thereafter
	\$	\$	\$	\$	\$	\$	\$
Long-term debt	19,233	62	16,660	271	290	286	1,664
Undiscounted lease liabilities	14,353	1,039	3,802	3,074	2,160	1,658	2,620
	33,586	1,101	20,462	3,345	2,450	1,944	4,284

Under various financing arrangements with its banks, the Company, its subsidiaries and its affiliates are required to meet certain covenants. The Company, its subsidiaries and its affiliates were fully in compliance with these covenants at September 30, 2019 and 2018.

FINANCIAL INSTRUMENTS

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

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

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

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

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

The Company is exposed to liquidity risk with respect to trade payables, long-term debt, and contractual obligations. The Company manages liquidity by maintaining adequate cash balances and by having appropriate lines of credit available. In addition, the Company continuously monitors and reviews both actual and forecasted



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cash flows. Management believes that future cash flow from operations and the availability under existing banking arrangements will be adequate to support its financial liabilities.

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

BUSINESS ENVIRONMENT AND RISKS

A comprehensive discussion of Risks and Uncertainties was included in the 2018 Annual Report and can be found on SEDAR. The discussion is applicable for the period ended September 30, 2019.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

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

The Company did not make any changes to its internal controls over financial reporting (“ICFR”) during the most recent period ended September 30, 2019 which materially affected, or are reasonably likely to materially affect, the Company’s ICFR.

CRITICAL ACCOUNTING ESTIMATES

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

Effective January 1, 2019 the Company adopted IFRS 16 *Leases*, applying certain practical expedients. The application of the new standard includes the following critical accounting estimates and judgment for the condensed interim financial statements dated September 30, 2019.

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