Wilmington
Capital Management Inc.

Q1 2017

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

For the period ended
March 31, 2017

NOTICE TO READERS

UNAUDITED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 the Corporation discloses that its Auditors have not reviewed the unaudited interim consolidated financial statements for the period ended March 31, 2017.

CONSOLIDATED BALANCE SHEETS

(CDN $ thousands) (UNAUDITED)	Note	**March 31, 2017**	December 31, 2016
Assets			
NON-CURRENT ASSETS			
Investment in Real Storage Private Trust	4	**15,866**	15,864
Investment in Northbridge Capital Partners Ltd.	5	**251**	280
Investment in Network 2012 Limited Partnership	5	**2,023**	2,019
Investment in Northbridge Fund 2016 Limited Partnership	5	**270**	100
Deferred income tax assets		**606**	606
		19,016	18,869
CURRENT ASSETS			
Accounts receivable and other assets		**1,121**	1,114
Cash		**3,259**	3,590
		4,380	4,704
Assets held for sale	6	**5,553**	5,614
Total assets		**28,949**	29,187
Liabilities			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		**554**	682
		554	682
Liabilities related to assets held for sale	6	**5,226**	5,371
Total liabilities		**5,780**	6,053
Equity			
Shareholders' equity	9	**23,052**	23,052
Non-controlling interest	6	**117**	82
Total equity		**23,169**	23,134
Total liabilities and equity		**28,949**	29,187

See accompanying notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

(CDN $ thousands, except per share amounts) (UNAUDITED)	Note	For the three months ended March 31, **2017**	2016
Revenue			
Investment and other income		**22**	35
Expenses			
General and administrative		**204**	220
Stock-based compensation		**23**	53
Loss from continuing operations before the undernoted		**(205)**	(238)
Share of net income from Real Storage Private Trust	4	**202**	55
Share of net loss from Northbridge Capital Partners Ltd.	5	**(29)**	(32)
Share of net loss from Network 2012 Limited Partnership	5	**(8)**	(78)
Loss from continuing operations before income taxes		**(40)**	(293)
Income tax expense (recovery)		**(2)**	48
Net loss from continuing operations		**(38)**	(341)
Net income (loss) from discontinued operations, net of tax	6	**85**	(214)
Net income (loss)		**47**	(555)
Net loss from continuing operations attributable to:			
Owners of the Corporation		**(38)**	(341)
Non-controlling interest		**---**	---
		(38)	(341)
Net income (loss) from discontinued operations attributable to:			
Owners of the Corporation		**50**	(126)
Non-controlling interest	6	**35**	(88)
		85	(214)
Net loss per share from continuing operations:	9		
Basic		**---**	(0.04)
Diluted		**---**	(0.04)

See accompanying notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(CDN $ thousands) (UNAUDITED)	Note	For the three months ended March 31, 2017	2016
Net income (loss)		**47**	(555)
Items that may be reclassified to net income (loss)			
Share of other comprehensive loss from equity accounted investees	9	**(33)**	(163)
Deferred income tax expense (recovery)	9	**2**	(22)
Other comprehensive loss		**(35)**	(141)
Comprehensive income (loss)		**12**	(696)
Comprehensive income (loss) attributable to:			
Owners of the Corporation		**(23)**	(608)
Non-controlling interest		**35**	(88)
		12	(696)

See accompanying notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(CDN $ thousands) (UNAUDITED)	Share Capital	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income	Shareholders' Equity	Non-controlling Interest	Total Equity
Balance as at December 31, 2015	39,960	173	(13,958)	(1,708)	24,467	351	24,818
Net loss	---	---	(467)	---	(467)	(88)	(555)
Other comprehensive loss	---	---	---	(141)	(141)	---	(141)
Stock-based compensation	---	53	---	---	53	---	53
Balance as at March 31, 2016	**39,960**	**226**	**(14,425)**	**(1,849)**	**23,912**	**263**	**24,175**
Balance as at December 31, 2016	**40,181**	**242**	**(15,540)**	**(1,831)**	**23,052**	**82**	**23,134**
Net income	---	**---**	**12**	**---**	**12**	**35**	**47**
Other comprehensive loss	---	**---**	**---**	**(35)**	**(35)**	**---**	**(35)**
Stock-based compensation	---	**23**	**---**	**---**	**23**	**---**	**23**
Balance as at March 31, 2017	**40,181**	**265**	**(15,528)**	**(1,866)**	**23,052**	**117**	**23,169**

See accompanying notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF CASH FLOW

(CDN $ thousands) (UNAUDITED)	Note	For the three months ended March 31, 2017	2016
Operating activities			
Net income (loss)		**47**	(555)
Net (income) loss from discontinued operations, net of tax		**(85)**	214
Non-cash items:			
Stock-based compensation		**23**	53
Share of net (income) loss from equity accounted investments	4,5	**(165)**	55
Deferred income tax (expense) recovery		**(2)**	48
		(182)	(185)
Net cash operating inflows from discontinued operations	6	**6**	231
Net change in non-cash working capital		**(134)**	43
Cash flows from (used in) operating activities		**(310)**	89
Investing activities			
Real Storage Private Trust distributions	4	**155**	155
Network 2012 Limited Partnership distributions	5	**---**	196
Investment in Northbridge Fund 2016 Limited Partnership	5	**(170)**	---
Cash classified to assets held for sale	6	**44**	19
Net change in non-cash working capital		**---**	(54)
Cash flows from investing activities		**29**	316
Financing activities			
Net cash financing outflows from discontinued operations	6	**(50)**	(250)
Cash flows used in financing activities		**(50)**	(250)
Net change in cash		**(331)**	155
Cash, beginning of period		**3,590**	3.940
Cash, end of period		**3,259**	4,095
Supplemental disclosures of operating cash flows			
Interest received		**22**	10

See accompanying notes to the Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

NOTE 1: NATURE AND DESCRIPTION OF THE CORPORATION

Wilmington Capital Management Inc. ("Wilmington" or the "Corporation") is incorporated under the laws of Ontario, Canada. The Corporation is a Canadian investment and asset management company whose principal objective is to seek out investment opportunities in the real estate and energy sectors, which provide shareholders with capital appreciation over the longer term as opposed to current income returns. The Corporation invests its own capital alongside partners and co-investors, in hard assets and private equity funds and manages these assets through operating platforms.

The Corporation has the following investments:

Sector	Investment	Wilmington Interest
Real Estate	**Real Storage Private Trust (the "Trust")** – owns and operates 31 self-storage facilities in British Columbia, Alberta, Manitoba and Ontario with approximately 1.4 million square feet of rentable area, including a 33.3% interest in a self-storage facility in Toronto, Ontario	43%
Private Equity Funds	**Northbridge Capital Partners Ltd. ("Northbridge")** – an exempt market dealer focusing on investing private equity in companies operating in the energy and real estate sector	45%
	Network 2012 Limited Partnership (the "Network 2012 Fund") - a private equity fund administered by Northbridge	36%
	Northbridge Fund 2016 Limited Partnership (the "Northbridge Fund 2016") - a private equity fund administered by Northbridge	3%
Energy	**Shackleton 2011 Limited Partnership (the "Shackleton Partnership")** – owns and operates 100 shallow natural gas wells in Southwestern Saskatchewan	59%

The Corporation's Class A and Class B shares are listed on the Toronto Stock Exchange under the symbols "WCM.A" and "WCM.B". The registered office of the Corporation is 66 Wellington Street West, Suite 3830, Toronto, Ontario, M5K 1A1 and its head office is located in Calgary, Alberta.

NOTE 2: BASIS OF PRESENTATION

The interim Consolidated Financial Statements have been prepared by management and reported in Canadian dollars, the Corporation's functional currency, in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). These interim consolidated financial statements do not include all of the information required for annual Consolidated Financial Statements and should be read in conjunction with the annual Consolidated Financial Statements for the year ended December 31, 2016, which have been prepared in accordance with IFRS as issued by the IASB.

The interim consolidated Financial Statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in Note 3 to the Consolidated Financial Statements for the fiscal year ended December 31, 2016, except for the newly issued standards and amendments as discussed below.

Information provided for prior period pertaining to the Shackleton Partnership has been reclassified to conform to the presentation adopted for the year ended December 31, 2016.

The interim Consolidated Financial Statements as at and for the period ended March 31, 2017 were approved and authorized for issuance by the Board of Directors on May 10, 2017.

NOTE 3: RECENT ACCOUNTING PRONOUNCEMENTS

New and amended accounting standards and interpretations adopted

There were no new or amended accounting standards or interpretations adopted during the three months ended March 31, 2017.

New accounting standards and interpretations not yet adopted

The following standards and amendments have not been adopted as they apply to future periods. The standards applicable to the Corporation are as follows and will be adopted on their respective dates.

Leases
On January 13, 2016, the IASB issued IFRS 16, “Leases” (“IFRS 16”), which requires entities to recognize lease assets and lease obligations on the balance sheet. For lessees, IFRS 16 removes the classification of leases as either operating leases or finance leases, effectively treating all leases as finance leases. Certain short-term leases (less than 12 months) and leases of low-value assets are exempt from the requirements and may continue to be treated as operating leases. Lessors will continue with a dual lease classification model. Classification will determine how and when a lessor will recognize lease revenue and what assets would be recorded.

IFRS 16 is effective for years beginning on or after January 1, 2019, with early adoption permitted if IFRS 15 “Revenue from Contracts with Customers” (“IFRS 15”) has been adopted. The standard may be applied retrospectively or using a modified retrospective approach. The Corporation plans to apply IFRS 16 on January 1, 2019 and does not expect to have a material impact on the Corporation’s financial statements.

Revenue recognition
The IASB issued IFRS 15, “Revenue from Contracts with Customers”, replacing IAS 11, “Construction Contracts’ (“IAS 11”), IAS 18, “Revenue” (“IAS 18”), and several revenue-related interpretations. IFRS 15 establishes a single revenue recognition framework that applies to contracts with customers. The standard requires an entity to recognize revenue to reflect the transfer of goods and services for the amount it expects to receive, when control is transferred to the purchaser. Disclosure requirements have also been expanded.

IFRS 15 is effective for annual periods beginning on or after January 1, 2018. Early adoption is permitted. The standard may be applied retrospectively or using a modified retrospective approach. The Corporation plans to adopt the standard for its year ended December 31, 2018 and is not expected to have a material impact on the Corporation’s financial statements.

NOTE 4: INVESTMENT IN REAL STORAGE PRIVATE TRUST

The Trust’s principal activity is to own, operate and develop self-storage facilities in British Columbia, Alberta, Manitoba and Ontario. The Corporation’s ownership in the Trust at March 31, 2017 was 42.5% (December 31, 2016 – 42.5%). The Corporation exercises significant influence over its investment in the Trust which has been accounted for as an investment in an associate using the equity method of accounting. Effective September 30, 2013, the Trust adopted a policy of making quarterly distributions to unitholders.

Summarized financial information in respect of the Corporation’s associate is set out below:

(CDN $ thousands)	**March 31, 2017**	December 31, 2016
Assets		
Cash	**1,239**	2,138
Accounts receivable and other assets	**2,013**	1,630
Investment property, at cost	**110,791**	111,148
Total assets	**114,043**	114,916
Current liabilities	**16,326**	16,155
Secured debt	**57,537**	58,534
Subordinated debt	**2,250**	2,250
Total liabilities	**76,113**	76,939
Net assets	**37,930**	37,977
Corporation’s share of net assets	**15,866**	15,864

(CDN $ thousands)	For the three months ended March 31, 2017	2016
Revenue	**3,667**	3,639
Expenses		
Operating	**1,451**	1,499
Financing costs	**783**	788
General and administrative	**535**	580
Acquisition costs	**20**	9
Depreciation and amortization	**637**	633
Gain on sale of public company shares	**(233)**	---
Net income	**474**	130
Other comprehensive loss	**(107)**	---
Total comprehensive income	**367**	130
Corporation's share of net income	**202**	55
Corporation's share of other comprehensive loss	**(45)**	---
Distributions to the Corporation	**155**	155

During the year ended December 31, 2016, the Corporation advanced $1.0 million to the Trust secured by a demand promissory note, bearing interest at 6% per annum with no repayment terms. The proceeds were used by the Trust to fund acquisitions during 2016.

On August 22, 2016, the Trust sold a self-storage facility located in Ottawa, Ontario in exchange for a self-storage facility located in London, Ontario and shares in the acquiring public company. The shares in the acquiring public company were sold during the three months ended March 31, 2017.

On June 28, 2016, the Trust acquired a self-storage facility located in Ontario, Canada for total consideration of $3.9 million. The acquisition was funded with cash on hand of $1.4 million and proceeds from a $2.5 million five year, fixed rate mortgage bearing interest at 3.9% per annum.

NOTE 5: INVESTMENT IN NORTHBRIDGE CAPITAL PARTNERS LTD., NETWORK 2012 LIMITED PARTNERSHIP AND NORTHBRIDGE FUND 2016 LIMITED PARTNERSHIP

(a) Investment in Northbridge

Northbridge is an Alberta-based exempt market dealer focused primarily on investing in private equity of companies operating in the energy and real estate industry. On September 30, 2016, a strategic partner specializing in the oil and gas industry subscribed for 45% of the issued and outstanding shares of Northbridge and management subscribed for 10%. As at March 31, 2017, the Corporation owns 45% of Northbridge (December 31, 2016 – 45%).

Summarized financial information in respect of the Corporation's associate is set out below:

(CDN $ thousands)	**March 31, 2017**	December 31, 2016
Assets		
Cash	**585**	789
Accounts receivable and other assets	**22**	30
Total assets	**607**	819
Current liabilities	**47**	196
Net assets	**560**	623
Corporation's share of net assets	**251**	280

(CDN $ thousands)	For the three months ended March 31, 2017	2016
Revenue	**58**	118
Expenses	**121**	190
Loss before income tax	**(63)**	(72)
Income tax recovery	**---**	(8)
Net loss	**(63)**	(64)
Corporation's share of net loss	**(29)**	(32)

(b) Investment in the Network 2012 Fund

The mandate of the Network 2012 Fund, managed by Northbridge, is to invest in early stage private companies in the energy industry. The Corporation owns 35.8% of the issued and outstanding partnership units. The Corporation exercises significant influence over its investment in the Network 2012 Fund which has been accounted for as an investment in an associate using the equity method of accounting.

Summarized financial information in respect of the Corporation's associate is set out below:

(CDN $ thousands)	**March 31, 2017**	December 31, 2016
Assets		
Cash	**226**	250
Investments, at fair value	**5,313**	5,280
Total assets	**5,539**	5,530
Current liabilities	**9**	10
Net assets	**5,530**	5,520
Corporation's share of net assets	**2,023**	2,019

(CDN $ thousands)	For the three months ended March 31, **2017**	2016
Revenue	**5**	(166)
Expenses	**28**	54
Net loss	**(23)**	(220)
Other comprehensive income (loss)	**33**	(454)
Total comprehensive income (loss)	**10**	(674)
Corporation's share of loss	**(8)**	(78)
Corporation's share of other comprehensive income (loss)	**12**	(163)
Distributions to the Corporation	**---**	196

(c) Investment in the Northbridge Fund 2016

The Corporation subscribed for $1.0 million in Northbridge Fund 2016, which closed on September 30, 2016 and has a mandate to invest in private and public companies in the energy industry. The Corporation funded $270,000 of the total commitment as at March 31, 2017 with the remaining amount to be funded by the end of Q1 2018. The Corporation does not exercise significant influence over the investment which has been classified as a financial asset measured at fair value with changes in fair market value recorded as other comprehensive income. As at March 31, 2017 and December 31, 2016, the investment's carrying value approximates its fair value.

NOTE 6: ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

The Corporation has a 59% ownership in the Shackleton Partnership. The Corporation consolidates the financial position and results of the Shackleton Partnership and accounts for 41% as non-controlling interest. As at December 31, 2016, the Shackleton Partnership initiated a plan to dispose of its interest in its Saskatchewan shallow gas operations. The Corporation classified the assets and related liabilities of the Shackleton Partnership as held for sale (assets of $5.6 million and liabilities of $5.2 million). The assets are recorded at the lesser of fair value less estimated costs of disposal and the carrying amount.

Financial information of the Shackleton Partnership is summarized below:

(CDN $ thousands)	**March 31, 2017**	December 31, 2016
Assets		
Cash	**72**	116
Accounts receivable and other assets	**501**	518
Natural gas property, plant and equipment	**4,980**	4,980
Assets classified as held for sale	**5,553**	5,614
Liabilities		
Accounts payable and accrued liabilities	**244**	355
Revolving loan facility (note 8)	**3,960**	4,010
Decommissioning liabilities (note 7)	**1,022**	1,006
Liabilities related to assets classified as held for sale	**5,226**	5,371

(CDN $ thousands)	For the three months ended March 31, **2017**	2016
Revenue	**517**	428
Expenses		
Petroleum operations	**330**	333
General and administrative	**43**	84
Depletion, depreciation and amortization	**---**	169
Finance costs	**59**	56
Net income (loss) from discontinued operations	**85**	(214)
Non-controlling interest	**35**	(88)

The cash flows from discontinued operations were as follows:

(CDN $ thousands)	For the three months ended March 31, **2017**	2016
Net income (loss) from discontinued operations, net of tax	**85**	(214)
Depletion, depreciation and amortization	**---**	169
Financing costs	**59**	56
Interest paid	**(44)**	(41)
Net change in operating working capital	**(94)**	261
Net cash inflows from operating activities	**6**	231
Proceeds from Revolving Loan facility	**44**	550
Repayment of Revolving Loan facility	**(94)**	(800)
Net cash outflows from financing activities	**(50)**	(250)
Total cash outflows from discontinued operations	**(44)**	(19)

NOTE 7: DECOMMISIONING LIABILITIES

The Shackleton Partnership's decommissioning liability is estimated based on engineering estimates of the anticipated method and the extent of site restoration required in accordance with current legislation and industry practices in the relevant jurisdiction. The decommissioning liabilities are accounted for as Liabilities related to Assets held for sale.

As at March 31, 2017, the Shackleton Partnership estimated the total undiscounted amount of future cash costs required to abandon and reclaim the wells and facility to be $2.8 million (December 31, 2016 - $2.8 million). The liability has been calculated assuming a 1.6% inflation rate (December 31, 2016 – 1.6%). These liabilities will be settled based on the useful lives of the underlying assets which extend up to 22 years into the future. This amount has been discounted using a credit adjusted risk-free rate of 6.2% (December 31, 2016 – 6.2%).

(CDN $ thousands)	**March 31, 2017**	December 31, 2016
Decommissioning liabilities, beginning of the period	**---**	1,074
Revisions (change in estimate and discount rate)	**---**	(131)
Accretion expense	**15**	63
Transfer to liabilities associated with assets held for sale	**(15)**	(1,006)
Decommissioning liabilities, end of the period	**---**	---

NOTE 8: REVOLVING LOAN FACILITY

The Shackleton Partnership, a subsidiary of the Corporation, has a Revolving Operating Demand Loan (the "Revolving Loan"), obtained in connection with the acquisition of the Shackleton natural gas properties. The Revolving Loan is payable on demand and bears interest at a rate equal to the lender's prime rate plus 1.75% per annum on the outstanding balance, payable monthly. During the three months ended March 31, 2017, the Shackleton Partnership paid interest of $44,000 (three months ended March 31, 2016 - $41,000). As at March 31, 2017, the Shackleton Partnership had drawn $3.96 million (December 31, 2016 - $4.01 million drawn) of the $3.96 million available under the Revolving Loan (December 31, 2016 – $4.04 million available). The amount available is reduced monthly by increments of $30,000 until the next bank review expected to be in June 2017. The Revolving Loan is included in Liabilities related to Assets held for sale.

The Revolving Loan is secured solely by a general assignment of book debts and a $25.0 million debenture with a first floating charge over all assets of the Partnership together with an undertaking to provide fixed charges on the Partnership's petroleum and natural gas properties at the request of the lender.

NOTE 9: EQUITY

(a) Share capital

	March 31, 2017	December 31, 2016
Class A shares	**9,136,700**	9,136,700
Class B shares	**997,744**	997,744
Total	**10,134,444**	10,134,444

The Corporation is authorized to issue an unlimited number of Class A shares and Class B shares, common shares, and preferred shares. All of the issued and outstanding shares are fully paid and have no par value. The Class A shares do not carry full voting rights; entitle the holders to elect two directors; rank equally with the Class B shares in the payment of dividends; rank equally to the Class B shares on the liquidation, dissolution or winding up of the Corporation; and become convertible into Class B shares, each of which carry one vote per share, in certain circumstances. The Class B shares are entitled to one vote per share at meetings of shareholders and are entitled to elect three directors. As at March 31, 2017 and December 31, 2016, no common shares and preferred shares were issued and outstanding.

The movement in share capital balances is as follows:

(CDN $ Thousands, except number of shares)	**March 31, 2017**		December 31, 2016	
	Number of shares	Amount	Number of shares	Amount
Outstanding, beginning of the period	**10,134,444**	**40,181**	10,069,947	39,960
Issuance of Class A shares pursuant to stock-based compensation plan	**---**	**---**	64,497	221
Outstanding, end of the period	**10,134,444**	**40,181**	10,134,444	40,181

(b) Accumulated other comprehensive income ("AOCI")

(CDN $ thousands)	**March 31, 2017**	December 31, 2016
AOCI, beginning of the period	**(1,831)**	(1,708)
Share of other comprehensive income (loss), Real Storage Private Trust	**(45)**	45
Share of other comprehensive income (loss), Network 2012 Fund	**12**	(188)
Deferred income tax (expense) recovery	**(2)**	20
AOCI, end of the period	**(1,866)**	(1,831)

(c) Per share amounts

(CDN $ Thousands, except per share amounts)	For the three months ended March 31, **2017**	2016
Numerator – continuing operations		
Net loss from continuing operations – attributable to owners of the Corporation	**(38)**	(341)
Numerator – discontinued operations		
Net income (loss) from discontinued operations– attributable to owners of the Corporation	**50**	(126)
Denominator		
Weighted average shares outstanding - basic	**10,134**	10,070
Dilutive impact of stock options	**44**	---
Weighted average shares outstanding - dilutive	**10,178**	10,070
Net loss per share – continuing operations		
Basic	---	(0.04)
Diluted	---	(0.04)
Net income (loss) per share – discontinued operations		
Basic	---	(0.01)
Diluted	---	(0.01)

As at March 31, 2016, 142,000 stock options were excluded from the diluted weighted average number of shares outstanding calculation as their effect would have been anti-dilutive.

NOTE 10: FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's financial assets and liabilities are comprised of cash, accounts receivables, Northbridge Fund 2016 Limited Partnership, accounts payable and accrued liabilities and Revolving Loan.

The underlying investments held within Northbridge Fund 2016 Fund are recorded at fair value in accordance with the following fair value hierarchy based on the amount of observable inputs used to value the investment:

Level 1	Values are based on unadjusted quoted market prices.
Level 2	Values are based on inputs which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.
Level 3	Values are based on prices or valuation techniques that are not based on observable market data.

The Corporation's investment in Northbridge Fund 2016 is classified as Level 3. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy.

(a) Carrying amount and fair value of financial instruments

The fair value of cash, accounts receivables, accounts payable and accrued liabilities approximate their carrying amount due to the short-term nature of those instruments. The fair value of the amount drawn on the Revolving Facility is equal to its carrying amount as the facility bears interest at floating rates that are indicative of market rates. As at March 31, 2017, the amount drawn under the Revolving loan facility is included in Liabilities related to Assets held for sale. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost. The fair value of Corporation's investment in Northbridge Fund 2016 approximates its carrying amount.

(b) Market risk

Market risk is the risk that changes in commodity prices, interest rates and foreign exchange will impact the Corporation's future cash flows or fair value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Commodity price risk

Commodity price risk is the risk that future cash flows will fluctuate as a result of changes in commodity prices, affecting results of operations and cash flows from operating activities. Such prices may also affect the development of properties and level of spending for future activities. Prices received by the Shackleton Partnership for its production are largely beyond the Shackleton Partnership's control as natural gas prices are impacted by North American economic events that dictate the levels of supply and demand. Management continuously monitors commodity prices and in order to partially mitigate exposure to natural gas price commodity price risk, Shackleton Partnership will enter into natural gas fixed prices sales agreements. If commodity prices fluctuated by $1.00 per barrel of oil equivalent, with all other variables held constant, revenue would have increased or decreased by approximately $41,000 for the three months ended March 31, 2017 (three months ended March 31, 2016 - $45,000). The Shackleton Partnership has not entered into any fixed price sales agreements as at March 31, 2017 and December 31, 2016.

Interest rate risk

The Corporation is exposed to interest rate risk on the Revolving Loan held through the Shackleton Partnership to the extent of changes in market interest rates. If interest rates fluctuated by 1% throughout the three months ended March 31, 2017, the Corporation would have recorded an approximately $10,000 increase or decrease to finance costs (three months ended March 31, 2016 - $10,000).

The Shackleton Partnership has no interest rate swaps or financial contracts in place as at or during the three months ended March 31, 2017 and 2016.

Foreign currency risk

The Corporation may be exposed to foreign currency risk from changes in foreign exchange rates that may affect the fair values or future cash flows of the Corporation's financial instruments. As at March 31, 2017 and December 31, 2016, the Corporation is not exposed to foreign currency risk.

(c) Credit risk

Credit risk is the risk of a financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its obligation. The Corporation's maximum exposure to credit risk is the sum of the carrying values of its accounts receivables and cash. The carrying values of these financial assets reflect management's assessment of the associated exposure to such credit risk. The Corporation also has indirect exposure to credit risk within its equity accounted investments.

To mitigate the credit risk on its cash, the Corporation maintains its cash balance with a major Canadian chartered bank. To mitigate the credit risk on accounts receivables, the Corporation assesses the financial strength of its counterparties and enters into relationships with larger purchasers with established credit histories.

The Corporation's accounts receivables balance at March 31, 2017 of $0.1 million (December 31, 2016 - $0.4 million), reflects amounts owing to the Corporation from its investees. As at December 31, 2016, the Shackleton Partnership's accounts receivable consisted of approximately $0.2 million (December 31, 2016 - $0.3 million) from its natural gas purchaser. All of the Shackleton Partnership's receivables as at March 31, 2017 are classified to Assets held for sale and have been outstanding for less than 60 days. Management does not believe that this concentration of credit risk will result in any loss to the Shackleton Partnership based on the reputation of the party. Receivables are normally collected on the 25th day of the month following production. The Shackleton Partnership does not obtain collateral from its natural gas purchaser or others in the event of non-payment.

Management of the Corporation and the Shackleton Partnership believe all accounts receivable are collectible. The Corporation and the Shackleton Partnership do not have an allowance for doubtful accounts as at March 31, 2017 and did not provide any doubtful accounts or write-off any accounts receivable during the three months ended March 31, 2017 (December 31, 2016 – nil).

Corporate and Shareholder Information

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Web site: www.wilmingtoncapital.com

STOCK EXCHANGE LISTINGS

Toronto Stock Exchange	Symbol
Class A Shares	WCM.A
Class B Shares	WCM.B

AUDITORS
Deloitte LLP
700, 850 2 Street SW
Calgary, AB T2P 0R8

TRANSFER AGENT AND REGISTRAR
CST Trust Company
600 The Dome Tower, 333-7th Avenue SW
Calgary, AB T2P 2Z1

Telephone: (800) 387-0825
Facsimile: (888) 249-6189

Questions about shareholdings, dividends, address changes or lost certificates should be directed to the Corporation's Transfer Agent and Registrar.

DIRECTORS

Ian G. Cockwell[1,2]
Chairman of the Corporation

Joseph F. Killi[2]
Managing Partner, Chief Executive Officer

Edward C. Kress[1]
Corporate Director

Marc D. Sardachuk[1]
Managing Partner
Law Investments LP

Timothy W. Casgrain
Corporate Director

David V. Richards
(Retired as Director of Corporation effective May 10, 2017)

1 *Member of the Audit & Corporate Governance Committee*
2 *Member of the Reserves Committee*

OFFICERS

Joseph F. Killi
Managing Partner, Chief Executive Officer

Christopher Killi
Managing Partner, Real Estate and Vice President Finance

Patrick Craddock
Managing Partner, Energy and Corporate Controller

J. Francis Cooke
Treasurer

Alex Powell
Corporate Secretary

Wilmington
Capital Management Inc.

Suite 700 – 505 3rd Street SW
Calgary AB T2P 3E6