Galibier Capital Management Ltd.

Galibier Opportunities Fund
Quarterly Investment Review

Q1 2017

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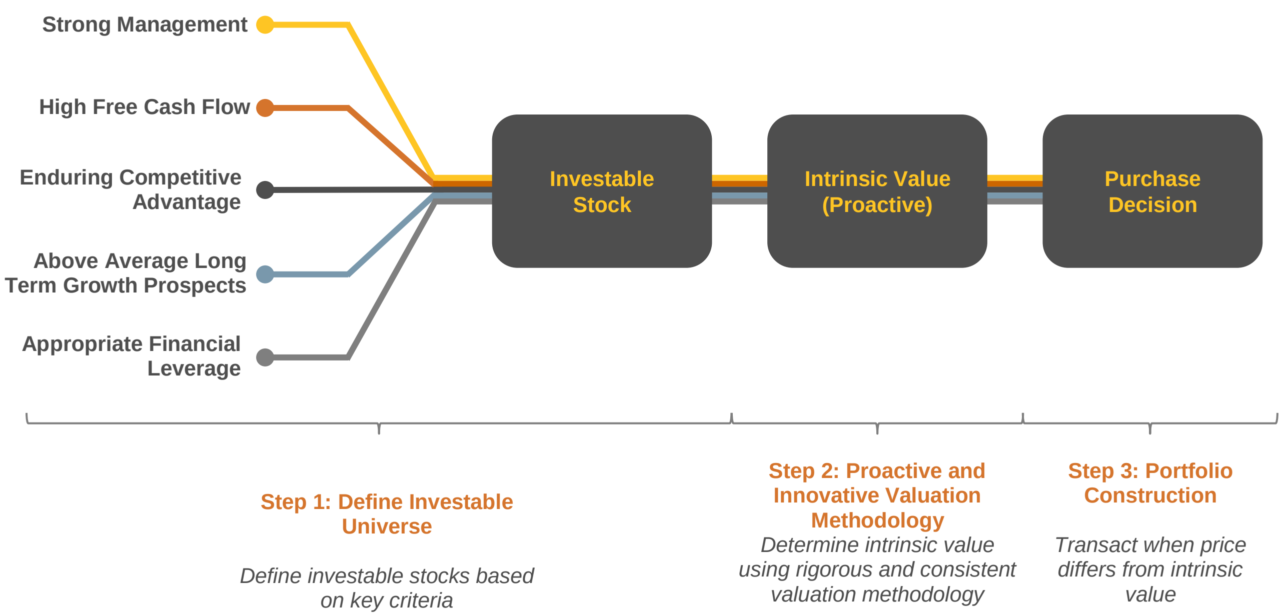
Galibier Capital Management Ltd.

At Galibier we work hard to (1) derive a measure of intrinsic value for a universe of investable stocks and (2) transact when market prices offer opportunities. To paraphrase Warren Buffett “Price is what you pay. [Intrinsic] Value is what you get.” Thus, while we welcome price to earnings multiple expansions, what really drives increases in the future value of companies is higher future earnings. Our investment process seeks to identify and value future earnings power and balance sheet structure using reasonable expectations about future economic conditions and high discount rates.

Galibier Investment Philosophy and Process

Galibier follows a proactive and innovative valuation methodology



We Believe

- Companies have an intrinsic value that can be calculated
- Market prices do not always reflect intrinsic value
- Growth is a component of value
- At some price, almost all stocks offer a value proposition
- Risk is the permanent loss of capital, not benchmark underperformance
- Investment companies should be independent and investor led
- The success of investment companies should be measured by the success of its clients
- An essential element towards investment success is to have a contrarian mindset… ie. to be sanguine when others are discouraged and to be cautious when others are exuberant….

Summary of Results

Period ending: Mar 31/2017	3 months (%)	1 year (%)	2 year (%)	Since Inception (%)
Galibier Opportunities Fund	**4.6**	**22.9**	**6.5**	**6.7**
S&P/TSX Composite (total return)	2.4	18.6	**5.3**	5.7

Note:
Return figures are gross of fees and fund expenses.
Return figures are annualized for periods greater than 1 year.
Inception date of the Galibier Opportunities Fund is October 31, 2014.
See Note 1 and Disclaimer at the end of this document for information about the returns and benchmarks.
Source: Galibier Capital Management Ltd, Bloomberg.

Galibier Opportunities Fund

In Q1 2017, the Galibier Opportunities Fund's investment results were 4.6%. Since its inception on October 31, 2014, the fund has provided a total return of 6.7% versus the S&P/TSX index which returned 5.7%.

Galibier Opportunities Fund Top Holdings (Mar 31/2017)

		Weight (%)
1.	Exchange Income Corp.	6.0
2.	Liquor Stores N.A. Ltd.	5.0
3.	Ryanair Holdings PLC	4.9
4.	Biogen Inc.	4.8
5.	Echo Global Logistics Inc.	4.7
6.	Nike Inc.	4.6
7.	New Flyer Industries Inc.	4.6
8.	Gildan Activewear Inc.	4.6
9.	Cargojet Inc.	4.4
10.	DREAM Global REIT	4.4
Total		**48.0**

Best performers during the quarter[2]

New Flyer Industries up +21%

New Flyer shares posted a strong return in the quarter due to new order figures, continued strength in day-to-day operations, as well as synergies achieved on the 2015 acquisition of Motor Coach Industries (MCI) International. Fourth quarter orders and deliveries, released in January, were ahead of investor expectations. Later in March, the company released its full financials which included strong EBITDA per unit results and excellent free cash flow generation. Finally, synergies between New Flyer and MCI came in higher than expected, with some additional projects resulting in expected savings over the next 12-24 months.

Martinrea International up +21%

Martinrea (MRE) strengthened in the quarter as investor fears around the impact of potential changes to NAFTA eased. This caused the multiple on the stock to expand to a still undemanding 6.0x 2017 earnings. Management continues to focus on winning new programs, executing recently won business and increasing the utilization rates of their global manufacturing capacity. All of which should increase the company's operating profit margin towards the near term goal of 6%. There are many 'self-help' aspects to the MRE investment thesis, independent of small gyrations in global auto production cycle and politics. Insiders feel the same way as demonstrated by their recent buying activity in the stock.

Zimmer Biomet Holdings up +18%

Zimmer was added in the fourth quarter of 2016 after concerns about inventory management damaged the shares. The company seems to have regained its footing during Q1 and these investor concerns appear to be behind them. The stock re-rated sharply upward over the quarter and has closed the gap on our assessment of its intrinsic value.

Kering up +16%

This multi-brand luxury good empire reported very strong fourth quarter results and the stock again reacted well. Kering is firing on many cylinders and kudos should be extended to its highly effective management team for maximizing value at both Gucci and Yves Saint Laurent in particular. As well, there is evidence that things may be turning in a positive direction at problem child Puma which could have a material impact on Kering's future fortunes.

Worst performers during the quarter[2]

DHX MEDIA DOWN -20%

Shares of DHX were pressured during the quarter as near term revenue and profit expectations were reduced by management. The timing for the production of two upcoming shows was pushed into next year and renewal of subscription video-on-demand content by companies such as Netflix is coming in lower than management expected as customers are being more targeted in the shows they license. Longer term, content continues to be heavily in demand and the inherent cost advantage of being a Canadian-based producer provides DHX with a competitive advantage. This was highlighted recently when DHX was chosen by Dentsu, a large multinational content owner, to revamp the 1990's hit MegaMan for television. DHX shares are trading at an inexpensive 7.6x EBITDA and should benefit from continued sales of its content library and production of new series.

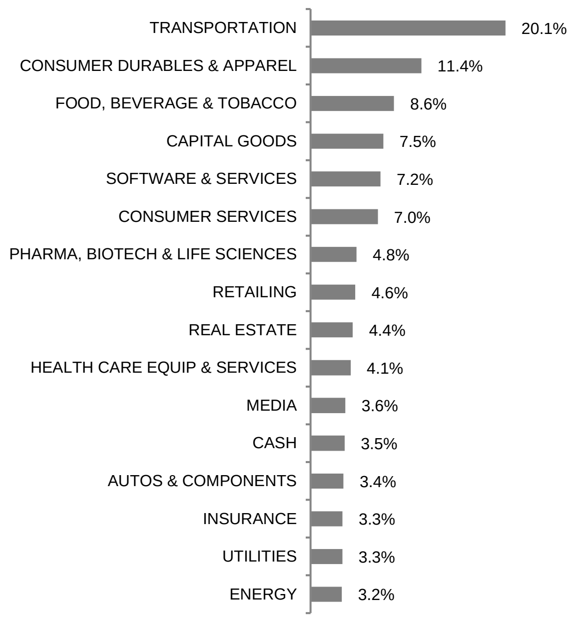
ECHO GLOBAL LOGISTICS DOWN -15%

Echo was down in the quarter following the release of its fourth quarter results. In late September 2016, as part of the integration of their Command Transportation LLC acquisition, the sales staff were consolidated onto one common technology platform, which resulted in temporary productivity declines. Management expects this transition will take four to six months as staff becomes more comfortable with the new sales capability. In more positive news, management has seen early indications of the expected revenue synergies with Command, signing some pretty significant new deals with their combined service offering.

LIQUOR STORES DOWN -9%

The shares of Liquor Stores were weak during the quarter following declines in quarterly same store sales in Alberta, Alaska and Kentucky. Alberta has held in fairly well despite the negative impact to the economy from the decline in commodity prices, but as severance packages start to run out, we are starting to see the impact on Liquor Stores' sales. Alaska was impacted by the decline in dividend cheques to residents. Finally, in Kentucky, a nearby county turned "wet" and a new large format competitor store opened, drawing traffic. While the short term environment is challenging, we see significant opportunity in store renovations and technology upgrades, as well as the ongoing private label rollout.

Industry Split (Mar 31/2017)



Buys & Sells

Three new names were added to the fund in the quarter: Brick Brewing Co., MEG Energy Corp. and Ryanair Holdings PLC.

In addition, we added to several names in the portfolio due to positive inflows.

Two positions were eliminated during the quarter: Badger Daylighting and Gluskin Sheff + Associates.

As a result of these transactions, the cash position decreased to 3.5% from 4.3% last quarter.

New Buys:

BRICK BREWING CO.

Brick Brewing is a small Ontario based brewery with brands including Laker and Waterloo. The company also has the Canadian license for Seagram Coolers. Brick Brewing has recently consolidated its beer brewing facilities into a state of the art location in Kitchener, Ontario which we believe will lead to cost savings in addition to growth potential in its co-packing business. We see the recent signing of the exclusive rights for Landshark and Margartiaville in Canada as a sign of other opportunities to come as it leverages its new production facilities.

MEG Energy Corp.

MEG energy is an asset rich energy producer with significant net asset value at higher oil prices. Debt appears excessive at first glance, but the company has several non-core assets that could be sold if necessary to reduce the debt burden. It offers investors among the highest leverage to improving oil prices in the Canadian exploration and production universe.

Ryanair Holdings PLC

Ryanair is a European ultra-low cost carrier operating from 85 bases and 33 countries. This stock had been underperforming given Brexit uncertainties over the economy, the weak British Pound and the risk of terrorist threats. However, the combination of scale, low cost and low fares will allow them to continue to grow capacity in Europe and take market share from other airlines. In addition, the airline continues to grow ancillary revenues and generates strong cash flow to fund new aircraft, pay dividends and buyback shares.

Notes:

1. *When evaluating the performance of any investment, it is important to compare it against an appropriate benchmark in order to make an informed assessment of the account's performance based on its investment strategy. For the Galibier Opportunities Fund, Galibier utilizes the S&P/TSX Composite index for this purpose as it is a broad market index, one of the most well-known indices and is most likely to resemble the investment strategy of the fund. It is important to note that benchmarks do not include operating charges and transaction charges as well as other expenses related to the account's investments, which may affect its performance.*

2. *Performance % represents the return to the pool during the most recent quarter and includes the impact of market price changes, buys, sells, and dividends (if any).*

Disclaimer

Galibier Capital Management Ltd. ("Galibier") is registered with the Ontario Securities Commission as a Portfolio Manager and Investment Fund Manager, with the British Columbia Securities Commission as a Portfolio Manager, with the Nova Scotia Securities Commission as a Portfolio Manager, with the Autorité des Marchés Financiers in Quebec as a Portfolio Manager and Investment Fund Manager and with the Alberta Securities Commission as a Portfolio Manager. This summary does not constitute an offer to sell or buy any securities. All information and opinions as well as any figures indicated herein are subject to change without notice.

The Galibier Canadian Equity Pool, the Galibier U.S. Equity Pool and the Galibier Opportunities Fund (the "Funds") are available to accredited investors as that term is defined under Canadian securities legislation. An investment in the Funds will involve significant risks due, among other things, to the nature of the Funds' investments.

All return figures for the Funds are gross of fees and fund expenses. Indicated rates of return are historical returns, including changes in security value and reinvestment of all distributions and does not take into account any applicable income taxes payable by any security holder that would have reduced returns.

The Funds' returns are not guaranteed, the values change frequently and past performance may not be repeated.

All returns of the Galibier Canadian Equity Pool and the Galibier U.S. Equity Pool prior to June 6, 2013 and of the Galibier Opportunities Fund prior to November 30, 2014 are related to Galibier's proprietary accounts, as Galibier's employees were the sole investors in the Funds during this period of time. Returns are presented only for periods during which Galibier has been registered as a portfolio manager. The investment strategies of the Funds have not changed since the Funds' inception. Canadian securities administrators have expressed concerns regarding marketing returns for proprietary accounts as firms can employ different strategies and take greater risks when managing its own investments without a fiduciary duty to third party investors.