



Unaudited Interim Condensed Financial Statements
September 30, 2018

Notice to Shareholders:

The Company's independent auditor has not performed a review of these unaudited interim condensed financial statements for the period ended September 30, 2018.

STATEMENTS OF FINANCIAL POSITION

As at	September 30,	December 31,
Amounts in thousands of Canadian dollars (except per share amounts)	2018	2017
ASSETS		
Current		
Cash and cash equivalents	\$ 178	\$ 9,284
Distribution receivables	—	341
Marketable securities <i>[note 4]</i>	176	368
Prepaid expenses, deposits and other receivables	80	68
Interest receivable	76	53
Total current assets	510	10,114
Investments <i>[notes 5 and 14]</i>	58,514	66,919
Total assets	\$ 59,024	\$ 77,033
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 166	\$ 208
Due to related parties <i>[notes 6 and 14]</i>	13,792	2,261
Accrued interest	78	970
Convertible debentures <i>[notes 2, 7 and 12c]</i>	—	28,556
Total current liabilities	14,036	31,995
Debentures <i>[note 8]</i>	6,700	—
Total liabilities	20,736	31,995
SHAREHOLDERS' EQUITY		
Share capital <i>[note 9]</i>	134,380	134,429
Equity component of convertible debentures <i>[note 7]</i>	—	2,151
Contributed surplus	81,300	79,131
Deficit	(177,392)	(170,673)
Total shareholders' equity	38,288	45,038
Total liabilities and shareholders' equity	\$ 59,024	\$ 77,033
Net Asset Value per share	\$ 6.58	\$ 7.74

See accompanying notes, which are an integral part of these financial statements.

On behalf of the Board of Directors:

"Corey Delaney"
Director

"Henry Kneis"
Director

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

Amounts in thousands of Canadian dollars (except for common shares and per share amounts)	Three months ended September 30		Nine months ended September 30	
	2018	2017	2018	2017
NET REALIZED AND UNREALIZED GAIN (LOSS)				
Net realized gain (loss) on disposal of investments and marketable securities	\$ (22)	\$ 143	\$ 719	\$ (1,833)
Net change in unrealized gain (loss) on investments and marketable securities	130	(3,045)	(4,029)	(166)
	108	(2,902)	(3,310)	(1,999)
OTHER INCOME				
Interest, dividends and other income [note 14]	153	366	556	1,304
Gain (loss) on repurchase and redemption of convertible debentures [note 7]	(131)	—	(74)	9
	22	366	482	1,313
EXPENSES				
Employee compensation and benefits [note 17]	266	280	861	990
Professional fees	184	182	740	533
General and administrative	80	111	282	361
Provision for uncollectible receivables	—	167	—	184
Financing costs	406	809	1,937	2,419
Transaction costs	27	3	72	36
Total expenses	963	1,552	3,891	4,523
Net loss and comprehensive loss	\$ (833)	\$ (4,088)	\$ (6,719)	\$ (5,209)
Weighted average number of common shares outstanding [note 16]				
Basic and diluted	5,816,543	5,825,129	5,816,661	5,845,548
Loss per share [note 16]				
Basic and diluted	\$(0.15)	\$(0.70)	\$(1.16)	\$(0.89)

See accompanying notes, which are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

Amounts in thousands of Canadian dollars	Three months ended September 30		Nine months ended September 30	
	2018	2017	2018	2017
Share capital				
Balance, beginning of the period	\$ 134,429	\$ 134,845	\$ 134,429	\$ 135,397
Normal course issuer bid common shares repurchased and cancelled [note 9]	(49)	(370)	(49)	(922)
Balance, June 30	134,380	134,475	134,380	134,475
Equity component of convertible debentures				
Balance, beginning of the period	1,044	2,151	2,151	2,180
Convertible debentures redeemed and cancelled [note 7]	(1,044)	—	(2,151)	—
Normal course issuer bid convertible debentures repurchased and cancelled [note 7]	—	—	—	(29)
Balance, June 30	—	2,151	—	2,151
Contributed surplus				
Balance, beginning of the period	80,203	78,713	79,131	78,143
Stock option expense [note 10]	10	35	77	143
Normal course issuer bid common shares repurchased and cancelled [note 9]	43	309	43	760
Convertible debenture redeemed and cancelled [note 7]	1,044	—	2,049	—
Normal course issuer bid convertible debentures repurchased and cancelled [note 7]	—	—	—	11
Balance, June 30	81,300	79,057	81,300	79,057
Deficit				
Balance, beginning of the period	(176,559)	(170,612)	(170,673)	(169,491)
Net loss	(833)	(4,088)	(6,719)	(5,209)
Balance, June 30	(177,392)	(174,700)	(177,392)	(174,700)
Net change in equity during the period	(829)	(4,114)	(6,750)	(5,246)
Equity, beginning of the period	39,117	45,097	45,038	46,229
Balance, June 30	\$ 38,288	\$ 40,983	\$ 38,288	\$ 40,983

See accompanying notes, which are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

Amounts in thousands of Canadian dollars	Three months ended September 30		Nine months ended September 30	
	2018	2017	2018	2017
OPERATING ACTIVITIES				
Net income (loss) for the period	\$ (833)	\$ (4,088)	\$ (6,719)	(5,209)
Items not affecting cash:				
Net realized (gain) loss on disposal of investments and marketable securities	22	(143)	(719)	1,833
Net change in unrealized (gain) loss on investments and marketable securities	(130)	3,045	4,029	166
Amortization of financing costs on convertible debentures	36	221	475	655
(Gain) loss on repurchase/redemption of convertible debentures	131	—	74	(9)
Conversion of interest revenue into equities and debentures	(90)	—	(281)	(304)
Equity-based compensation	10	35	77	143
Net change in non-cash working capital balances	(362)	(557)	(3,025)	1,024
Effect of exchange rate changes on cash and cash equivalents	(14)	(56)	12	(106)
Purchase of marketable securities	—	—	—	(2,224)
Proceeds from disposal of marketable securities	298	100	485	583
Purchase of investments	(3,273)	—	(5,933)	(4,250)
Proceeds from disposal and maturity of investments	3,084	139	10,989	1,857
Cash used in operating activities	(1,119)	(1,304)	(536)	(5,841)
FINANCING ACTIVITIES				
Proceeds from issuance of debentures <i>[note 8]</i>	—	—	6,700	—
Proceeds from related party loan <i>[note 6]</i>	6,794	—	13,897	—
Redemption and repayment of convertible debentures <i>[note 7]</i>	(14,161)	—	(29,161)	—
Normal course issuer bid common shares repurchased and cancelled <i>[note 9]</i>	(6)	(62)	(6)	(164)
Normal course issuer bid convertible debentures repurchased and cancelled <i>[note 7]</i>	—	—	—	(394)
Cash used in financing activities	(7,373)	(62)	(8,570)	(558)
Net decrease in cash during the period	(8,493)	(1,366)	(9,106)	(6,399)
Cash and cash equivalents, beginning of the period	8,671	5,815	9,284	10,848
Cash and cash equivalents, end of the period	\$ 178	\$ 4,449	\$ 178	\$ 4,449
Interest received	\$ 68	\$ 112	\$ 188	\$ 457
Dividends received	-	40	40	120
Interest paid	789	1,166	2,399	2,348

See accompanying notes, which are an integral part of these financial statements.

SCHEDULE OF INVESTMENTS

			September 30, 2018	
	INVESTMENT TYPE	COUNTRY	AVERAGE COST	FAIR VALUE
Amounts in thousands of Canadian dollars			\$	\$
FINANCIAL TECHNOLOGIES				
Carta Solutions Holding Corporation	equity securities	Canada	4,996	
Ethoca Solutions Inc.	equity securities	Canada	1,508	
Mogo Finance Technology Inc.	equity securities	Canada	10,408	
			16,912	14,606
HEALTHCARE				
BrainScope Company Inc.	equity securities	United States	1,950	
Cardiac Dimensions Pty. Ltd.	equity securities	United States	2,492	
			4,442	5,361
INTERNET				
BuildDirect.com Technologies Inc.	equity securities and warrants	Canada	7,713	
BuildDirect.com Technologies Inc.	convertible promissory notes	Canada	796	
Vision Critical Communications Inc.	equity securities	Canada	4,997	
ScribbleLive Technologies Inc.	equity securities	Canada	4,609	
Hootsuite Media Inc.	equity securities	Canada	2,080	
			20,195	8,583
MEDIA and MEDIA TECHNOLOGIES				
Blue Ant Media Inc.	equity securities	Canada	4,787	
Cricket Media Group Ltd.	convertible debentures	Canada	4,575	
			9,362	5,745
TECHNOLOGIES				
Vena Solutions	equity securities	Canada	4,677	
Baanto International Ltd.	equity securities	Canada	3,770	
Other	convertible debentures, equity securities	Canada & U.S.	751	
			9,198	8,197
OTHER				
Difference RM Holdings Corp.	equity securities	United States	6,320	
Waterloo Innovation Network LP	limited partnership units	Canada	2,000	
Wekerloo Developments Inc.	loan	Canada	1,000	
Other	convertible debentures, equity securities and units	Canada	546	
			9,866	16,021
TOTAL INVESTMENTS			69,975	58,514

SCHEDULE OF INVESTMENTS (continued)

PORTFOLIO INVESTMENTS AND FAIR VALUE

Significant purchases, sales and changes in valuation of investments for the three months ended September 30, 2018 included the following:

Difference RM Holdings Corp. ("Difference RM")

As at June 30, 2018, the Company's carrying value in Difference RM reflects the cash and loan receivable held by DRM USA (see note 6 for additional details).

Mogo Finance Technology Inc. ("Mogo")

During the quarter ended September 30, 2018, the Company sold the remaining \$3.1 million principal amount of Mogo debentures and invested \$3.1 million in Mogo common shares. The Company marks to market its investments in Mogo, resulting in approximately \$0.3 million of unrealized gain during the quarter.

Carta Solutions Holding Corporation ("Carta")

In September 2018, the Company converted \$1.3 million of short-term loans to Carta plus accrued interest into preferred shares of Carta.

Cardiac Dimensions Pty Ltd. ("Cardiac")

In September 2018, the Company converted \$0.3 million of Cardiac convertible debentures plus accrued interest into preferred shares of Cardiac.

Other

The Company recorded \$0.3 million of unrealized foreign currency translation loss in the Company's U.S. investments.