AstonHill FINANCIAL

Management Discussion and Analysis
For the period ended March 31, 2015

Management's Discussion and Analysis

The following management discussion and analysis ("MD&A") dated May 14, 2015 presents the financial condition, changes in financial condition and results of operations for Aston Hill Financial Inc. ("Aston Hill" or the "Company") and should be read in conjunction with the unaudited interim consolidated financial statements and accompanying notes of the Company for the period ended March 31, 2015, as well as the audited consolidated financial statements for the year ended December 31, 2014. The historical information of the Company can be found on SEDAR under Aston Hill Financial Inc. Unless otherwise indicated, all dollar amounts in this MD&A are expressed in Canadian dollars.

Forward-looking statements

This MD&A may contain forward-looking statements with respect to expected financial performance, strategy and business conditions. The words "believe", "will", "would", "aim", "may", "expect" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These statements reflect management's current beliefs with respect to future events and are based on information currently available to management. Forward-looking statements involve significant known and unknown risks and uncertainties. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from expectations include, among other things, general economic and market conditions, including interest rates, global financial markets, changes in government regulations, industry competition, technological developments and other factors described under "Risk Management" or discussed in other materials filed with applicable securities regulatory authorities from time to time. The material factors and assumptions applied in reaching the conclusions contained in these forward-looking statements include that the investment fund industry will remain stable and that interest rates will remain relatively stable. The reader is cautioned against undue reliance on these forward-looking statements.

Non-IFRS Financial Measures

The Company uses several non-IFRS financial measures that do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Management believes that these measures are useful to most shareholders, creditors, other stakeholders and investment analysts in analyzing Aston Hill's results. These non-IFRS financial measures should not be considered as an alternative to the Consolidated Net and Comprehensive Income or any other measure of performance under IFRS.

Assets Under Management

Any reference to Assets Under Management ("AUM") includes both managed and sub-advised closed end and open end mutual funds, hedge funds, separately managed accounts, brokerage accounts, structured products, pooled assets, and oil and gas properties under administration. Separately managed accounts, brokerage accounts, structured products, and oil and gas properties under administration are grouped together as other assts. The Company believes that AUM is a valuable performance indicator for users of the MD&A as it presents assets under management at a point in time. The movement in AUM throughout the reporting period generally drives the revenue of the Company.

Average Assets Under Management

Any reference to Average AUM includes both managed and sub-advised closed end and open end mutual funds, hedge funds, separately managed accounts, brokerage accounts, structured products, pooled assets, and oil and gas properties under administration. Average AUM refers to the three month average of the AUM balance. It can be used to better facilitate the understanding of the revenue trend in the period.

EBITDA

Aston Hill uses EBITDA (earnings before interest, taxes, depreciation and amortization) as a measure of operating performance to assess its underlying profitability prior to the impact of financing expenses, income taxes, amortization of deferred sales commissions, depreciation of property and equipment and amortization of intangible assets with finite life. EBITDA can be used to facilitate valuation or can be used as a substitute for cash flow and permits comparisons of companies within the industry before any distortion caused by different financing methods and levels of taxation.

Adjusted EBITDA

In addition to EBITDA as described above, Aston Hill further adjusts EBITDA ("adjusted EBITDA") by excluding share based compensation and net losses (profits) on investments in order to provide users with the earnings before non-cash transactions which management considers to be a meaningful measure of its operations.

EBITDA Margin

Aston Hill uses EBITDA Margin as a measure of operating performance in relation to total revenue as it excludes interest, taxes, depreciation and amortization, which provides another measure of the Company's profitability for the period. It is presented as EBITDA as a percentage of total revenue for the period.

Pre-Tax Operating Earnings and Pre-Tax Operating Earnings Per Share

Aston Hill uses pre-tax operating earnings to assess its underlying profitability before income taxes, excluding service fee revenue, non-cash management fees, performance fees and investment gains, investment losses, amortization of deferred sales commissions, depreciation of property and equipment, amortization of intangible assets with finite life and share based compensation. The total pre-tax operating earnings per period is divided by the total weighted average basic shares outstanding for the period.

Material Contracts

This MD&A refers from time to time to material contracts which can be found under Aston Hill Financial Inc. at SEDAR.com.

Overview

Aston Hill is a publicly traded corporation listed on the Toronto Stock Exchange (the "TSX") under the symbol "AHF" and is incorporated under the Business Corporations Act of Alberta. The primary business focus of the Company is the management of investment funds. In addition, Aston Hill's services also include high net worth investment management, institutional investment management, portfolio advisory services, oil and gas administration and other fee based investment products in Canada. Management does not consider these different types of clients to be distinct reportable business segments for accounting purposes, as Aston Hill operates as a single business line, under the same senior management team and with one fundamental business philosophy at this time, except for the other fee based investment products.

During the period ended March 31, 2015, financial results were impacted by the following:

- Gross open end mutual fund sales totaled $96.0 million in the first quarter of 2015. However, due to continued market volatility, redemptions during the quarter totaled $120.0 million, which resulted in net redemptions of $24.0 million. The remaining change in open end mutual fund AUM was due to positive market performance of $49.0 million in the quarter.
- Managed closed end funds AUM increased by $15.0 million during the quarter due to positive market performance of $36.0 million which netted against the $21.0 million in redemptions.

- On February 13, 2015, the Company announced the non-renewal of its sub-advisory agreement with IA Clarington Investments Inc. This reduced the AUM for open end sub-advised funds by $2.2 billion quarter over quarter.
- The non-renewal of the IA Clarington sub-advisory agreement halfway through the first quarter and the decrease in average AUM for closed end mutual funds resulted in a $1.1 million decrease in revenue for the first quarter of 2015.
- Revenue from management fees as a percentage of total revenue was 73% for the period ended March 31, 2015, compared to 62% in the prior year.
- Sub-advisory revenue as a percentage of total revenue was 13% compared to 23% in the prior year.
- Other revenue as a percentage of total revenue was 7% compared to 12% in the prior year.
- Salaries and wages increased by $0.5 million compared to the prior quarter due to employee layoff severance payments in relation to corporate cost saving initiatives and a recruitment bonus paid as part of the employment of two brokers in the quarter.

Financial Portfolio Management, Advisory and Brokerage

Aston Hill Asset Management Inc. ("AHAM"), is a Toronto-based registered Investment Fund Manager ("IFM") specializing in the development, sales, and management of closed end investment funds, open end funds and hedge funds.

AHAM manages the Aston Hill Group of Funds and has sub-advisory relationships with First Asset Management Inc. ("First Asset"), and BMO Nesbitt Burns ("BMO"). Seven licensed portfolio managers, including Ben Cheng, Barry A. Morrison, Jeffrey Burchell, Andrew Hamlin, Vivian Lo, John Kim and Steve Vanatta in the Toronto office, are responsible for the Financial Portfolio Management and Advisory division of Aston Hill as of March 31, 2015.

AHF Capital Partners ("AHFCP") manages and provides sub-advisory services for five funds included in the Company's AUM. AHFCP has one licensed portfolio manager, Alexander (Sandy) Liang in the Toronto office. AHFCP is 49% owned by RJT Capital Inc., a related party that represents the non-controlling interest.

Aston Hill Capital Markets Inc. ("AHCM") is a Canadian structured financial products company focused on creating and managing closed end investment funds. AHCM manages a group of closed end funds and has a sub-advisory relationship with BMO. AHCM is 20% owned by two directors and current executives of AHCM which represent the non-controlling interest.

Aston Hill Securities Inc. ("AHS") (formerly Citadel Securities Inc.) is an investment dealer, and a member of the Investment Industry Regulatory Organization of Canada ("IIROC") and the Canadian Investor Protection Fund ("CIPF"). AHS provides professional, personalized trading and investment services to private investors.

Oil & Gas Property Management

Aston Hill identifies potential oil and natural gas exploration and development opportunities in both the private and public sectors. The mandate is to identify, acquire, manage and administer oil and gas properties on behalf of both institutional and retail investors.

The Company provides administrative services under an administration services contract with Argent Energy Trust ("Argent"), a Canadian energy trust that is not a specified investment flow-through ("SIFT") trust. The administration services contract will not be renewed and will expire on August 12, 2015. Argent holds oil and gas assets in the United States and provides its unit holders with a monthly distribution.

Business Drivers

Aston Hill's revenues are derived mainly from management fees, calculated as a percentage of daily average net asset value ("NAV") for funds under management. The AUM balance presented for each period end represents the ending NAV for funds under management. Management fees generally correlate with the trend in average AUM, however, total revenue for management fees may deviate as a result of volatile daily average NAV within the reporting period. In addition, open end funds and closed end funds command different annual management fee rates for each fund. Open end funds generally have annual management fee rates that range from 1% (100 bps) to 2% (200 bps), while closed end funds are generally below 1% (100 bps). As such, movement within open end fund average daily NAV would generate greater fluctuation in management fee revenue. The sub-advisory fees are based on the aggregate net asset value of the sub-advisory funds at set percentage rates ranging from 0.15% (15 bps) to 0.5% (50 bps) and are recognized on an accrual basis. The oil and gas administration fee is calculated on a tiered set fee, based on the enterprise value of Argent which ranges from an annual fee of $0.7 million to an annual fee of $4.0 million. Brokerage revenue encompasses brokerage fees, investment management fees, and sales commissions, which are recognized as the related services are performed. The Company may also earn other income or incur losses from its cash balances and its investments, if any, which include newly seeded portfolios.

Aston Hill's expenses include salaries and benefits (which contain an incentive component that may fluctuate based on the overall performance of the Company), product development, general and administrative expenses, share based compensation, depreciation of property and equipment, amortization of finite life intangible assets, amortization of deferred sales commissions and trailer fees. Trailer fees are paid on the subscription of certain open end funds and therefore increases with an increase in open end fund sales.

Net additions or net withdrawals of client capital, acquisitions, as well as investment performance are the main factors that impact AUM. Aston Hill's goal is to attract and retain investors through its expertise in liquid alternative strategies, income and structured products, resource investments, and the oil and gas industry, as well as its commitment by its staff to provide excellent customer service. The wealth of knowledge accumulated by management and the investment team in this space has allowed for an expansion of revenue lines in the open end fund, closed end fund, sub-advisory and administrative services sector.

Market Outlook and Business Environment

Market Outlook

Global economic data through the first quarter has been mixed as central banks are growing increasingly concerned about economic growth slowing and the possibility of deflation. In the first quarter of 2015, there were over 20 rate cuts by central banks, including Canada. The U.S. was the lone country bucking the trend of central banks around the world easing monetary policy through lower rates and increased quantitative easing measures. With the U.S. poised to be the only country to possibly raise rates, the U.S. Dollar continued to strengthen and had the effect of pushing down commodity prices. When the U.S. Federal Open Market Committee met in March, they removed the word "patient" from their outlook but still managed to keep a very dovish tone which pushed markets, and commodities, up sharply. With the escalating conflict in Yemen, oil spiked on concerns of supply disruptions from the Middle East, which helped energy stocks and mitigated some of the losses on the TSX. Geopolitics aside, we continue to believe the U.S. will grow at a moderate pace (around 2.5%), Europe will continue to recover, and China manages to grow their economy around 7% which then prevents the world from sliding into a recession. We feel the TSX and S&P 500 have gotten ahead of themselves and are susceptible to any exogenous shocks such as Greece, war in the Middle East, or further deterioration in economic data. We are seven months into a consolidation and the markets may very well keep churning sideways as they have done since the third quarter of 2014, but with elevated valuations, we remain somewhat defensive.

Business Outlook

Increasing sales of proprietary mutual funds through the current wholesaler platform continues to be Aston Hill's priority in 2015. In response to the continued economic uncertainty in financial markets, Aston Hill has moved towards providing liquid alternative mutual funds in order to meet the growing demand for diversified, risk-adjusted investments. The Company plans to launch additional products later in the year managed by Ben Cheng after his non-compete restrictions expire in mid-November 2015. In addition, Aston Hill's management team continues to strive to reduce expenditures to preserve cash and working capital.

Operating Highlights

Assets under Management, Advisory and Other

Total AUM, which includes closed end and open end mutual funds, hedge funds, separately managed accounts, structured products, pooled assets, and oil and gas properties under administration is summarized below:

(in millions of Canadian dollars)		March 31, 2015		December 31, 2014		September 30, 2014		June 30, 2014		March 31, 2014
Assets Under Management , Advisory, Brokerage and Other										
Managed funds										
Open end funds	**$**	**1,086**	$	1,061	$	1,054	$	980	$	841
Closed end funds		**1,468**		1,453		1,619		1,977		1,815
Hedge funds		**41**		28		23		17		16
Total Aston Hill managed funds	**$**	**2,595**	$	2,542	$	2,696	$	2,974	$	2,672
Sub-advised funds										
Open end funds		**601**		2,847		3,311		3,503		3,570
Closed end funds		**122**		127		200		206		243
Total sub-advised funds	**$**	**723**	$	2,974	$	3,511	$	3,709	$	3,813
Other assets		**380**		407		506		564		700
Brokerage		**419**		331		340		236		191
Total Assets under Management, Advisory, Brokerage and Other	**$**	**4,117**	$	6,254	$	7,053	$	7,483	$	7,376

Average Assets under Management, Advisory and Other

Average AUM is calculated over three months of the quarter. Average AUM includes closed end and open end mutual funds, hedge funds, separately managed accounts, structured products, pooled assets, and oil and gas properties under administration is summarized below:

(in millions of Canadian dollars)		March 31, 2015		December 31, 2014		September 30, 2014		June 30, 2014		March 31, 2014
Average Assets Under Management , Advisory, Brokerage and Other										
Managed funds										
Open end funds	**$**	**1,087**	$	1,070	$	1,033	$	940	$	782
Closed end funds		**1,476**		1,504		1,756		1,869		1,793
Hedge Funds		**36**		26		22		16		13
Total Aston Hill managed funds	**$**	**2,599**	$	2,600	$	2,811	$	2,825	$	2,588
Sub-advised funds										
Open end funds	**$**	**1,299**	$	3,023	$	3,399	$	3,519	$	3,585
Closed end funds		**123**		144		202		211		222
Total sub-advised funds	**$**	**1,421**	$	3,167	$	3,601	$	3,730	$	3,807
Other assets		**391**		438		533		576		962
Brokerage		**389**		335		275		210		182
Total Average Assets under Management, Advisory, Brokerage and Other	**$**	**4,800**	$	6,540	$	7,220	$	7,341	$	7,540

For the quarter ended March 31, 2015 compared to the quarter ended December 31, 2014:

- AUM for Aston Hill managed funds increased by $53.0 million from the prior quarter. Open end funds had gross sales of $96.0 million in the first quarter of 2015. This positive growth was netted against redemptions of $120.0 million in open end mutual funds. This net redemption was offset by the net increase in closed end mutual funds of $15.0 million due to market performance and the net increase in hedge fund AUM of $13.0 million which is mainly attributable to subscriptions in the month.
- Sub-advised funds decreased from the prior quarter by $2.3 billion mainly as a result of the non-renewal of the sub-advisory relationship with IA Clarington.
- The net decrease in the AUM of other assets of $27.0 million can mainly be attributed to the reduction in Argent Energy Trust valuation.
- The $88.0 million increase in Brokerage AUM can mainly be attributed to the acquisition of two brokers, and their existing book of clients during the quarter, which resulted in an addition of $77.0 million in assets.

For the quarter ended March 31, 2015 compared to the quarter ended March 31, 2014:

- AUM for Aston Hill managed funds decreased by $77.0 million from the same quarter in the prior year. This was the result of a net increase in open end mutual fund AUM of $245.0 million due to the sales effort in 2014. This increase was offset by the decrease in closed end fund AUM of $347.0 million as a result of redemptions and negative market performance in 2014.
- Sub-advised funds decreased from the same period the prior year by $3.1 billion mainly as a result of the non-renewal of the sub-advisory relationship with IA Clarington.
- The net decrease in the AUM of other assets of $320.0 million can mainly be attributed to the reduction in Argent Energy Trust valuation.
- The $228.0 million increase in Brokerage AUM can be attributed to the acquisition of two brokers during the quarter who brought $77.0 million in assets with them. In addition, the assets held by the brokerage business increased throughout 2014.

AUM Reconciliation

The Company has provided an AUM reconciliation of total Aston Hill managed funds. Complete information for sub-advised funds and brokerage were not readily available for reconciliation purposes:

Aston Hill Managed Funds AUM Reconciliation **(in millions of Canadian dollars)**	Open end funds March 31, 2015	Closed end funds March 31, 2015	Hedge funds March 31, 2015
Assets Under Management - Beginning of Period	$ 1,061	$ 1,453	$ 28
Subscriptions	96	-	12
Redemptions	(120)	(21)	(1)
Investment performance	49	36	2
Assets Under Management - End of Period	$ 1,086	$ 1,468	$ 41

Other Assets **(in millions of Canadian dollars)**		Other Assets March 31, 2015
Assets Under Management - Beginning of Period	$	407
Subscriptions		1
Redemptions		(1)
Investment performance		(27)
Assets Under Management - End of Period	$	380

Breakdown of Managed and Sub-Advised Funds, Assets Under Administration and Flow Through Limited Partnerships

Financial Portfolio Management:

Closed end funds:

Aston Hill Advantage VIP Income Fund
Aston Hill VIP Income Fund
Aston Hill Advantage Oil & Gas Income Fund
Aston Hill Oil & Gas Income Fund
Aston Hill Advantage Bond Fund
Australian Banc Capital Securities Trust
Australian Banc Income Fund
Canadian 50 Advantaged Preferred Share Fund
Canadian Banc Capital Securities Trust
Euro Bank Capital Securities Trust
Hbanc Capital Securities Trust
ING Diversified Floating Rate Senior Loan Fund
ING Floating Rate Senior Loan Fund
ING High Income Floating Rate Fund
Low Volatility Canadian Equities Income Fund
Macquarie Emerging Markets Infrastructure Income Fund
Macquarie Global Infrastructure Income Fund
North American Financials Capital Securities Trust
US Agency Mortgage Backed REIT Advantaged Fund
Voya Global Income Solutions Fund

Mutual funds:

Aston Hill Canadian Total Return Fund
Aston Hill Capital Growth Fund & Class
Aston Hill Corporate Bond Fund
Aston Hill Energy Growth Class
Aston Hill Global Growth & Income Fund & Class
Aston Hill Global Resource & Infrastructure Fund & Class
Aston Hill Growth & Income Fund & Class
Aston Hill Strategic Yield Fund & Class
Aston Hill Strategic Yield II Class
Aston Hill Voya Floating Rate Income Fund

Hedge funds:

Aston Hill Opportunities Fund
AHF Credit Opportunities Fund

Financial Portfolio Advisory:

Closed end funds:

Star Yield Trust
First Asset Preferred Investment Fund
Coxe Global Agribusiness Income Fund
US Housing Recovery Fund

Mutual funds:

Renaissance Millennium High Income Fund
Lonsdale Balanced Tactical Fund
Newport Yield Fund

Assets Under Administration:

Argent Energy Trust

Flow Through Limited Partnerships:

Aston Hill Energy 2014 FT Limited Partnership

Financial Highlights

(in thousands, except assets under management and per share amounts)		As at March 31 2015		As at December 31, 2014		As at March 31, 2014	% change quarter-over-quarter	% change year-over-year
Assets under management (in billions)	$	**4.12**	$	6.25	$	7.38	-34%	-44%
Total assets		**92,051**		97,884		95,940	-6%	-4%
Shares outstanding		**89,488**		88,988		89,891	1%	0%

For the three months ended		March 31 2015		December 31, 2014		March 31, 2014	% change quarter-over-quarter	% change year-over-year
Total revenues	$	**10,642**	$	11,710	$	11,068	-9%	-4%
Total expenses excluding finance expense		**9,630**		9,267		9,551	4%	1%
Total finance expense		**1,026**		1,098		1,264	-7%	-19%
Income before income taxes	$	**(14)**	$	1,345	$	253	-101%	-106%
Income tax expense (recovery)	$	**(40)**	$	433	$	260	-109%	-115%
Net income (loss)	$	**26**	$	912	$	(7)	-97%	471%
Net income to non-controlling interest		**201**		338		199	-41%	1%
Net income (loss) to controlling interest	$	**(175)**	$	574	$	(206)	-130%	15%
Per share - Basic	$	**(0.002)**	$	0.006	$	(0.002)	-133%	0%
Per share - Diluted	$	**(0.002)**	$	0.006	$	(0.002)	-133%	0%
Cash dividends declared per share	$	**0.015**	$	0.015	$	0.015	0%	0%
EBITDA	$	**1,715**	$	3,202	$	2,164	-46%	-21%
Weighted average shares outstanding		**89,169**		89,248		89,977	0%	-1%

Results of Operations

Overall Performance

Aston Hill saw a decrease of $1.1 million in revenue for the period ended March 31, 2015, compared to the prior quarter, due to a decrease in overall AUM. This was mainly attributable to the non-renewal of the IA Clarington sub-advisory relationship and the decrease in average AUM for the closed end mutual funds quarter over quarter.

Total expenses remained consistent from the prior quarter due to:

An increase in general and administrative expenses of $0.8 million and salaries and wages of $0.5 million. $0.4 million of the increase in general and administrative expenses was in relation to a fee paid to IA Clarington as a result of the termination of the sub-advisory relationship. In addition, consulting fees increased by $0.3 million during the quarter.

The increase in salaries and wages can mainly be attributed to the severance incurred during the first quarter of 2015 as well as a recruitment bonus paid for the employment of two new brokers which added $77.0 million to the brokerage AUM.

The increase in general and administrative expenses, as well as, salaries and wages, were partially offset by the decrease of $0.1 million in sub-advisory expenses and $0.2 million in product development expenses. Sub-advisory expenses decreased in the quarter due to a decrease in average AUM for the sub-advised funds. The decrease in product development fees was due to a recovery of product development fees in the first quarter of 2015. In addition, the Company recorded $0.3 million in net profits on investments mostly as a result of the change in fair value for the forward purchase contract liability, which is affected by the AHF share price. The remaining decrease in total expenses was attributable to changes in trailer fees, finance expense, depreciation and amortization.

The result of the decrease in revenue and total expenses remaining unchanged was a $1.4 million decrease in net income (loss) before income taxes and a $0.7 million decrease in net income (loss) to controlling interest in the current quarter.

Pre-Tax Operating Earnings

(in thousands of Canadian dollars, except per share amounts)						
			Quarter ended			
		March 31, 2015		December 31, 2014		March 31, 2014
Income before income taxes	**$**	**(14)**	$	1,345	$	253
Add:						
Net losses (gains) on investments		**(325)**		24		284
Amortization of deferred sales commissions		**381**		355		259
Amortization of intangibles - finite life		**250**		299		300
Depreciation of property and equipment		**72**		105		88
Share based payments expense		**175**		222		359
Pre-tax operating earnings	**$**	**539**	$	2,350	$	1,543
Per share		**0.006**		0.026		0.017

Pre-tax operating earnings, as set out in the table above, was $0.5 million for the quarter ended March 31, 2015, which was a $1.8 million or a 77% decrease from the prior quarter and a $1.0 million or $65% decrease from the same period in the prior year. The change in pre-tax operating earnings can mainly be attributed to the decrease in revenue of $1.1 million and an increase in general and administrative expenses of $0.8 million and salaries and wages expense of $0.5 million quarter over quarter. This was partially offset by the decrease in product development expenses and sub-advisory fees.

The change in pre-tax operating earnings from the same quarter in the prior year can mainly be attributed to the $0.4 million decrease in revenue due to the decrease in sub-advisory fee revenue of $1.2 million as the Company did not renew its sub-advisory relationship with IA Clarington. This was partially netted against the increase in management fees of $0.6 million as average AUM for open end mutual funds increased from the same quarter in the prior year. In addition, general and administrative expenses and salaries and wages increased by $0.7 million and $0.2 million respectively, which was partially offset against a decrease in sub-advisory expenses of $0.2 million.

Summary of Quarterly Results

(in thousands of Canadian dollars, except per share amounts)								
Three months ended,	**Mar 31 2015**	Dec 31, 2014	Sept 30, 2014	June 30, 2014	Mar 31, 2014	Dec 31, 2013	Sept 30, 2013	June 30, 2013
Revenues	**$ 10,642**	$ 11,710	$ 12,400	$ 12,151	$ 11,068	$ 11,424	$ 9,176	$ 7,686
Expenses								
Salaries and wages	**3,768**	3,294	4,800	3,350	3,509	3,742	2,855	2,862
General and administrative	**2,902**	2,150	1,552	2,101	2,209	2,796	2,482	1,343
Sub-advisory expense	**1,018**	1,126	1,257	1,285	1,253	1,229	142	235
Product development	**(95)**	131	199	143	135	200	117	339
Share based compensation	**175**	222	173	351	359	128	430	483
Depreciation of property & equipment	**72**	105	119	109	88	133	70	117
Amortization of intangible assets - finite	**250**	299	298	299	300	480	-	-
Amortization of deferred sales commissions	**381**	355	326	307	259	178	277	244
Trailer fees	**1,465**	1,533	1,499	1,360	1,102	894	748	621
Commissions	**19**	28	6	47	53	45	54	39
Net losses (profits) on investments	**(325)**	24	118	111	284	172	(129)	(55)
Finance expense	**1,026**	1,098	1,077	834	1,264	1,152	1,041	1,052
Total expenses	**$ 10,656**	$ 10,365	$ 11,424	$ 10,297	$ 10,815	$ 11,149	$ 8,087	$ 7,280
Income (loss) before income taxes	**(14)**	1,345	976	1,854	253	275	1,089	406
Income taxes*	**(40)**	433	625	560	260	486	570	5
Net income (loss) for the period*	**$ 26**	$ 912	$ 351	$ 1,294	$ (7)	$ (211)	$ 519	$ 401
Net income (loss) to non-controlling interest	**201**	338	266	267	199	270	85	(4)
Net income (loss) to controlling interest*	**$ (175)**	$ 574	$ 85	$ 1,027	$ (206)	$ (481)	$ 434	$ 405
Net income (loss) - per share - basic*	**$ (0.002)**	$ 0.006	$ 0.001	$ 0.011	$ (0.002)	$ (0.006)	$ 0.005	$ 0.006
Net income (loss) - per share - diluted*	**$ (0.002)**	$ 0.006	$ 0.001	$ 0.011	$ (0.002)	$ (0.006)	$ 0.005	$ 0.005

**Through the preparation of the Condensed Interim Consolidated Financial Statements for the quarter ending September 30, 2014, a prior period deferred tax error was identified in relation to the initial treatment of the convertible debentures that were issued on July 27, 2011. IAS 12.23 specifies that at the time of the initial recognition of convertible debentures, the issuer is required to recognize a deferred tax liability on the equity component by charging the deferred tax directly to the carrying amount of the equity component. The deferred tax liability on the equity component of the convertible debentures was not recognized at the time of issuance.*

In the third quarter of 2014 and at the prior year end, the Company has assessed for materiality in accordance with IAS 1 and has concluded that it was not material to any of the prior period Consolidated Financial Statements or to the trend in earnings. As such, Aston Hill considered the effects of the prior year misstatements and has revised its comparative Consolidated Financial Statements as initially reported, to correct for the recognition of the deferred tax liability. The comparative deferred tax expense, net income (loss) for the period and net income (loss) to controlling interest were the only financial line items that were impacted by the change. Please refer to note 4 of the Consolidated Financial Statements for illustrations of the effect of this correction on individual financial statement line items.

The revision had no impact on the Company's revenue, cash flow from operating activities, operating expenses and net income before tax.

Revenue

	For the quarter ended				
(in thousands of Canadian dollars)	**March 31 2015**	December 31, 2014	September 30, 2014	June 30, 2014	March 31 2014
Revenue					
Management fees					
Open end funds	**$ 4,300**	$ 4,102	$ 3,948	$ 3,645	$ 2,946
Closed end funds	**3,370**	3,651	4,353	4,115	3,877
Hedge Funds	**95**	77	65	48	38
Total management fees	**$ 7,765**	$ 7,830	$ 8,366	$ 7,808	$ 6,861
Sub-advisory fees					
Open end funds	**$ 1,250**	$ 2,139	$ 2,382	$ 2,429	$ 2,377
Closed end funds	**128**	154	217	224	262
Total sub-advisory fees	**$ 1,378**	$ 2,293	$ 2,599	$ 2,653	$ 2,639
Other revenue	**769**	854	706	1,097	1,258
Brokerage	**730**	733	729	593	310
Total revenue	**$ 10,642**	$ 11,710	$ 12,400	$ 12,151	$ 11,068

	For the quarter ended				
	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31 2014
Fees as a percentage of total revenue					
Management fees					
Open end funds	**40%**	35%	32%	30%	27%
Closed end funds	**32%**	31%	35%	34%	35%
Hedge Funds	**1%**	1%	1%	0%	0%
Total management fees	**73%**	67%	68%	64%	62%
Sub-advisory fees					
Open end funds	**12%**	18%	19%	20%	21%
Closed end funds	**1%**	1%	2%	2%	2%
Total sub-advisory fees	**13%**	19%	21%	22%	23%
Other revenue	**7%**	7%	6%	9%	12%
Brokerage	**7%**	7%	5%	5%	3%
Percentage of total revenue	**100%**	100%	100%	100%	100%

	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
Fees as a percentage of average AUM					
Management fees					
Open end funds	**1.58%**	1.53%	1.53%	1.55%	1.51%
Closed end funds	**0.91%**	0.97%	0.99%	0.88%	0.86%
Hedge Funds	**1.04%**	1.18%	1.19%	1.18%	1.16%
Sub-advisory fees					
Open end funds	**0.39%**	0.28%	0.28%	0.28%	0.27%
Closed end funds	**0.42%**	0.43%	0.43%	0.43%	0.47%
Other revenue	**0.79%**	0.78%	0.53%	0.76%	0.52%
Brokerage fees*	**0.75%**	0.88%	1.06%	1.13%	0.68%
Total revenue as a percentage of total average AUM	**0.90%**	0.71%	0.67%	0.65%	1.75%

*Brokerage fees are not directly driven by average AUM.

For the quarter ended March 31, 2015 compared to the quarter ended December 31, 2014:

Total management fees are driven by the average AUM in the quarter as well as the management fee rate. The decrease of $0.1 million for management fees was a result of a decrease in average AUM for closed end mutual funds quarter over quarter. The fees as a percentage of average AUM remained consistent for management fees quarter over quarter.

Total sub-advisory fees in the quarter decreased by $0.9 million as a result of the non-renewal of the IA Clarington sub-advisory relationship on February 13, 2015. Sub-advisory fees were earned for the prorated period in the quarter. The fee as a percentage of average AUM for the open end sub-advisory fees increased due to $nil ending AUM for February and March, while sub-advisory fee revenue was still earned for the prorated period.

Other revenue remained relatively consistent from the prior quarter with a decrease of $0.1 million. The fee as a percentage of average AUM remained consistent quarter over quarter.

Brokerage revenue remained consistent quarter over quarter.

For the quarter ended March 31, 2015 compared to the quarter ended March 31, 2014:

The increase of $0.9 million for management fees was due to an increase in average AUM for open end mutual funds which increased the management fees by $1.4 million. This was partially offset by the $0.5 million decrease in closed end mutual fund management fees as a result of redemptions during 2014 which in turn, reduced the average AUM for the quarter compared to the same period in the prior year. The fees as a percentage of average AUM remained consistent for management fees.

Total sub-advisory fees in the quarter decreased by $1.2 million as a result of the non-renewal of the IA Clarington sub-advisory relationship on February 13, 2015. Sub-advisory fees were earned for the prorated period in the quarter. The fee as a percentage of average AUM for the open end sub-advisory fees increased due to $nil ending AUM for February and March, while sub-advisory fee revenue was still earned for the prorated period.

Other revenue decreased by $0.5 million mainly as a result of the decrease in enterprise value for Argent Energy Trust, which drives the administration fee earned by the Company. During the first quarter of 2014, the administration fee was $0.5 million, whereas the current quarter administration fee is $0.2 million. The other $0.2 million decrease was the due to the change in average AUM for institutional portfolios.

Brokerage revenue increased by $0.5 million in the current quarter compared to the same period in the prior year. The change is mostly driven by broker commissions earned on new client portfolio assets being transferred to AHS.

EBITDA

(in thousands of Canadian dollars, except per share amounts)						
		Quarter ended				
		March 31, 2015		December 31, 2014		March 31, 2014
Net Income (loss) for the period	**$**	**26**	$	912	$	(7)
Add (deduct):						
Finance expense		**1,026**		1,098		1,264
Income tax expense		**(40)**		433		260
Amortization of intangible assets - finite		**250**		299		300
Amortization of deferred sales commissions		**381**		355		259
Depreciation of property and equipment		**72**		105		88
EBITDA	**$**	**1,715**	$	3,202	$	2,164
EBITDA Per diluted share	**$**	**0.019**	$	0.036	$	0.024
EBITDA margin (as a % of revenue)		**16%**		27%		20%
Adjusted EBITDA	**$**	**1,565**	$	3,448	$	2,807
Adjusted EBITDA Per diluted share	**$**	**0.017**	$	0.038	$	0.031
Adjusted EBITDA margin (as a % of revenue)		**15%**		29%		25%

For the three months ended March 31, 2015:

EBITDA for the quarter ended March 31, 2015 was $1.7 million ($0.019 per share) compared with EBITDA of $3.2 million ($0.036 per share) for the prior quarter and $2.2 million ($.024 per share) for the quarter ended March 31, 2014. The 46% decrease from the prior quarter is primarily due to the decrease in revenue of $1.1 million. The decrease of 21% in EBITDA from the same quarter in the prior year is mainly attributable to the decrease in revenue of $0.4 million.

EBITDA as a percentage of total revenues (EBITDA margin) for the first quarter of 2015 was 16%, compared to 27% from the prior quarter and 20% from the same quarter last year. The decrease in EBITDA margin was the result of the decrease in revenue and the increase in expenses during the quarter.

For the three month period ended March 31, 2015, Aston Hill reported a net loss before taxes of $14,000 compared to net income before taxes of $1.3 million in the prior quarter and $0.3 million in the same period in the prior year. The main factor in the decrease in net income in the current quarter is due to the non-renewal of the IA Clarington sub-advisory relationship as it decreased sub-advisory revenue for the quarter. In addition, a non-recurring fee of $0.4 million was paid to IA Clarington in relation to the non-renewal of the sub-advisory relationship.

For the three months ended March 31, 2015, Aston Hill reported a net loss after tax to controlling interest of $0.2 million ($0.002 loss per share), compared to the net income after tax to controlling interest of $0.6 million ($0.006 earnings per share) in the prior quarter and net loss after tax to controlling interest of $0.2 million ($0.002 loss per share) in the same period of the prior year.

Asset Management Segment Disclosure

Asset management segment	Quarter ended					
(in thousands of Canadian dollars)		**March 31, 2015**		December 31, 2014		March 31, 2014
Revenues	$	9,912	$	10,977	$	10,687
Expenses						
Salaries and wages	$	2,982	$	2,842	$	3,228
General and administrative		2,755		1,926		2,018
Sub-advisory expense		1,018		1,126		1,253
Product development		(95)		131		135
Share based compensation		175		222		359
Depreciation of property & equipment		72		105		88
Amortization of intangible assets - finite		250		299		300
Amortization of deferred sales commissions		381		355		259
Trailer fees		1,465		1,533		1,102
Commissions		19		28		53
Net (profits) losses on investments		(178)		208		284
Finance expense		1,026		1,098		1,264
Total expenses	$	9,870	$	9,873	$	10,343
Income before income taxes	$	42	$	1,104	$	344
Income taxes	$	(24)	$	370	$	260
Net income (loss) for the period		66		734		84
Net income (loss) to non-controlling interest		201		338		199
Net (loss) income to controlling interest	$	(135)	$	396	$	(115)

For the quarter ended March 31, 2015 compared to the prior quarter:

Revenues

Total revenue was $9.9 million for the quarter ended March 31, 2015, a decrease of $1.1 million or 10% from the $11.0 million in the prior quarter due to the decrease in average AUM. The main reason for the decrease in revenue is due to the non-renewal of the IA Clarington sub-advisory relationship in the quarter. Sub-advisory fees for IA Clarington were prorated for the period between January 1, 2015 and February 13, 2015. The remaining decrease in revenue was due to the decrease in closed end fund management fees as the associated average AUM decreased quarter over quarter.

Expenses

Total expenses remained consistent for the quarter ended March 31, 2015, compared to the prior quarter due to:

- An increase in salaries and wages for the Company of $0.1 million, primarily due to employee severance costs incurred in the quarter.
- General and administrative expenses increased by $0.8 million in the current quarter partially as a result of a one-time expense paid to IA Clarington in relation to the non-renewal of the sub-advisory relationship which totaled $0.4 million. In addition, consulting fees paid to RJT in the quarter increased by $0.3 million. As per the agreement, a maximum annual consulting fee is set for RJT. During the fourth quarter of 2014, RJT was over this threshold for consulting fees.

- Sub-advisory expense decreased by $0.1 million in the quarter due to the decrease in average AUM for closed end funds for the quarter, as external sub-advisors are paid a percentage of the management fee charged by the Company.
- During the quarter, product development expense decreased by $0.2 million primarily as a result of a $0.1 million recovery. Based on the early stage of development of some of the Company's investment funds, the Company feels it is in its best interest to bear the burden of some of these fund expenses to maintain the management expense ratio of each of its primary funds at an acceptable level. As the funds grew during the year, the amount of expenses that needed to be absorbed was lower.
- Share based compensation expense remained consistent quarter over quarter despite the first tranche of the deferred equity plan vesting and being exercised. In addition, there were several forfeitures in the quarter due to employee terminations. This was partially offset by the annual stock option and deferred equity plan grants. In addition, the fourth quarter of 2014 also incurred forfeitures due to employee terminations.
- Depreciation of property and equipment, amortization of intangible assets – finite life and amortization of deferred sales commissions remained consistent quarter over quarter.
- Finance expense and commissions remained consistent with the prior quarter. The increase of $0.1 million in finance expense in the quarter was due to the change in accretion for the forward purchase contract.
- Trailer fees are paid on open end mutual fund subscriptions, therefore, there is a general correlation with the movement in the AUM of open end mutual funds. Based on the purchase option selected by the investor, the annual rate can be a maximum of 1% of the net asset value of the fund in which the investor is invested. For the first quarter of 2015, trailer fees decreased by $69,000 from the prior quarter despite a slight increase in gross sales from $94.0 million to $96.0 million due to the purchase options selected by the investors.
- The Company saw a net profit on investments for the quarter of $0.2 million compared to the net loss of $0.2 million in the prior quarter. This consisted of an unrealized loss on fair value of financial assets through profit or loss of $0.1 million. This was offset by a decrease in the fair value of the forward purchase contract liability of $0.2 million, which created a gain for the quarter, and $0.1 million in dividend income.

Net income before taxes for the quarter ended March 31, 2015 totaled $42,000 which was a $1.1 million or 96% decrease from the prior quarter.

For the three months ended March 31, 2015, compared to the same periods in the prior year:

Revenues

Total revenue was $9.9 million for the quarter ended March 31, 2015, a decrease of $0.8 million or 7% from the $10.7 million in the same quarter in the prior year, due to the decrease in average total AUM. The main reason for the decrease in revenue is due to the non-renewal of the IA Clarington sub-advisory relationship in the quarter. Sub-advisory fees for IA Clarington were prorated for the period between January 1, 2015 and February 13, 2015. The remaining decrease in revenue was due to the change in closed end fund management fees as the associated average AUM decreased quarter over quarter.

Expenses

Total expenses decreased by $0.4 million for the quarter ended March 31, 2015 compared to the same period in the prior year due to:

- A decrease in salaries and wages for the Company of $0.2 million, as the bonus provision for employees was lower during the first quarter of 2015 as a result of corporate initiatives.

- General and administrative expenses increased by $0.7 million in the current quarter partially as a result of a one-time expense paid to IA Clarington in relation to the non-renewal of the sub-advisory relationship which totaled $0.4 million. In addition, marketing expenses increased by $0.2 million due to the launch of new funds in 2015. Office expenses also increased by $0.1 million due to higher Bloomberg fees in the current quarter.
- Sub-advisory expense decreased by $0.2 million due to the decrease in closed end funds average AUM for the quarter, as external sub-advisors are paid a percentage of the advisory revenue charged by the Company.
- During the quarter, product development expense decreased by $0.2 million primarily as a result of a $0.1 million recovery. Based on the early stage of development of some of the Company's investment funds, the Company feels it is in its best interest to bear the burden of some of these fund expenses to maintain the management expense ratio of each of its primary funds at an acceptable level. As the funds grew during the year, the amount of expenses that needed to be absorbed was lower.
- Share based compensation expense decreased by $0.2 million form the same period in the prior year due to the first tranche of the deferred equity plan vesting and being exercised. In addition, forfeitures in the quarter also contributed to the lower share based compensation expense. Although there were grants in the current year for stock options and the deferred equity plan, they were granted at lower prices than the vested tranches, as a result of the lower share price in the first quarter of 2015. In addition, there were several forfeitures in the quarter due to employee terminations which did not occur in the first quarter of 2014.
- Depreciation of property and equipment and amortization of intangible assets – finite life remained consistent quarter over quarter.
- Deferred sales commissions amortization increased by $0.1 million due to the higher opening deferred sales commission balance as a result of additions during the year ended December 31, 2014.
- Finance expense decreased by $0.2 million from the same quarter in the prior year due to an over-accrual in the prior year which was corrected in the following quarter.
- Commissions remained consistent with the prior quarter.
- Trailer fees are paid on open end mutual fund subscriptions, therefore, there is a general correlation with the movement in the AUM of open end mutual funds. Based on the purchase option selected by the investor, the annual rate can be a maximum of 1% of the net asset value of the fund in which the investor is invested. For the first quarter of 2015, trailer fees increased by $0.4 million from the same period in the prior year due to the increase in mutual fund gross sales and the purchase option selected by the investor.
- The Company saw a net profit on investments for the quarter of $0.2 million compared to the net loss of $0.3 million in the same quarter in the prior year. This consisted of an unrealized loss on fair value of financial assets through profit or loss of $0.1 million. This was offset by a decrease in the fair value of the forward purchase contract liability of $0.2 million, which created a gain for the quarter, and $0.1 million in dividend income.
- The net income before taxes for the quarter ended March 31, 2015, totaled $42,000, which was a $0.3 million or 95% decrease from the same period in the prior year.

Brokerage Segment Disclosure

Brokerage Segment	Quarter ended		
(in thousands of Canadian dollars)	**March 31, 2015**	December 31, 2014	March 31, 2014
Revenues*	$ 730	$ 733	$ 381
Expenses			
Salaries and wages	786	452	281
General and administrative	147	224	191
Amortization of intangible assets - finite	-		
Trailer fees	-		
Commissions	-		
Net (profits) losses on investments	(147)	(184)	
Finance expense	-	-	
Total expenses	$ 786	$ 492	$ 472
Net (loss) income before income taxes	$ (56)	$ 241	$ (91)
Income taxes	$ (16)	$ 63	$ -
Net (loss) income for the period	$ (40)	$ 178	$ (91)
Net income (loss) to non-controlling interest	-	-	-
Net (loss) income to controlling interest	$ (40)	$ 178	$ (91)

*includes intersegment elimination entries

For the quarter ended March 31, 2015, compared to the prior quarter:

Revenues

- Total revenue from the brokerage segment relates to brokerage fees and remained consistent quarter over quarter.

Expenses

- Salaries and wages increased by $0.3 million due to the acquisition of two brokers in the quarter which resulted in a $0.2 million recruitment bonus and additional commissions in the quarter.
- General and administrative expenses decreased by $0.1 million due to a broker warrant expense incurred in the fourth quarter of 2014.

Net income before taxes for the quarter ended March 31, 2015, decreased by $0.2 million primarily as a result of the increase in salaries and wages of $0.3 million.

For the three months ended March 31, 2015, compared to the same periods in the prior year:

Revenues

- Total revenue increased by $0.3 million or 92% for the quarter ended March 31, 2015. The increase can mainly be attributed to the increase in average brokerage AUM from $182.0 million in the prior year to $389.0 million, which is a change of 113%. Although brokerage revenue is not directly driven by AUM, the movement in AUM signifies that assets from client portfolios have been transferred to AHS.

Expenses

- Total salaries and wages increased by $0.5 million due to the increase in brokers. A portion of the increase was due to the acquisition of two brokers in the quarter which resulted in a $0.2 million recruitment. $0.3 million of the increase was due to an increase in commission revenue earned in the quarter. The brokers are paid a percentage of the commission revenue earned. The increase in revenue was 92% and the increase in salaries and wages, excluding the $0.2 million in recruitment bonus, was 95%.
- Total general and administrative expenses remained relatively consistent from the same quarter in the prior year.

Net loss before taxes for the quarter ended March 31, 2015, was $0.1 million, which is an increase of $0.1 million from the same period in the prior year.

Liquidity and Capital Resources

Financial Position at (stated in thousands of Canadian dollars)	**March 31, 2015**	December 31, 2014
Working capital	**10,559**	12,031
Total assets	**92,051**	97,884
Long term debt (convertible debentures)	**37,910**	38,087

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they come due. In addition to the Company's current balance of cash and cash equivalents, other potential sources of liquidity include the Company's marketable securities, accounts receivable, and its revolving credit facility. The Company's continued ability to access capital markets to raise funds is dependent on market conditions that are subject to change.

Four of the Company's subsidiaries are subject to externally imposed capital requirements. AHAM, AHCM and AHFCP are registered with the Ontario Securities Commission ("OSC") as Investment Fund Managers. AHS is a broker dealer registered with the Investment Industry Regulatory Organization of Canada ("IIROC"). AHAM, AHCM and AHFCP are each currently required to maintain minimum working capital of $100,000, plus $100,000 deductible under their respective bonding insurance policies. Aston Hill Securities is required to maintain a level of Risk-Adjusted Capital greater than $nil in accordance with such requirements as IIROC may from time to time prescribe. In the event of non-compliance, these subsidiaries are required to file additional financial information and to review their policies and procedures for compliance with securities law and to file a compliance report.

At March 31, 2015, the Company and its subsidiaries were in compliance with all externally imposed capital requirements.

Year to date additions to property and equipment amounted to $0.1 million (March 31, 2014 - $45,000). Aston Hill's policies and procedures related to the management of capital are described in the audited Consolidated Financial Statements for the year ended December 31, 2014, in note 13.

For the three month period ended March 31, 2015, the Company paid $1.3 million of dividends compared to $1.4 million in the same period of the prior year.

Financing costs paid on convertible debentures remained relatively consistent year over year at $1.2 million, as the principal amount of convertible debentures did not change significantly.

Aston Hill paid deferred sales commissions of $0.3 million in the three month period ended March 31, 2015, compared to $0.7 million in the same period of the prior year. This is a result of incremental sales on the Aston Hill open end funds under the low-load deferred sales charge option. This option was created in 2011 as a sales incentive on specified series of units or shares in specified funds.

Aston Hill has mitigated liquidity risk by renewing the $6.0 million revolving line of credit as of July 29, 2013. As at March 31, 2015, the Company has $6.0 million of the revolving line of credit available.

The following table outlines the future cash outflows that Aston Hill has committed to:

Commitments

(in thousands of Canadian dollars)								
As at March 31, 2015								
		Total	2015	2016	2017	2018	2019	Thereafter
Financial liabilities:								
Trade and other payables		$ 3,754	$ 3,534	$ 220	$ -	$ -	$ -	$ -
Convertible debentures	-principal	40,164	-	40,164	-	-	-	-
	-interest	3,615	1,205	2,410	-	-	-	-
Operating leases		4,461	1,397	750	517	519	483	795
Forward purchase contract		3,832	-	3,339	-	493	-	-
		$ 55,826	**$ 6,136**	**$ 46,883**	**$ 517**	**$ 1,012**	**$ 483**	**$ 795**

Summary Balance Sheet Data

(in thousands of Canadian dollars)			
		March 31, 2015	December 31, 2014
Current assets	**$**	**14,563**	$ 20,077
Non current assets		**77,488**	77,807
Total Assets	**$**	**92,051**	$ 97,884
Current liabilities	**$**	**4,004**	$ 8,035
Non current liabilities		**53,270**	53,724
Total Liabilities	**$**	**57,274**	$ 61,759
Non-controlling interest		**233**	233
Shareholders' equity		**34,544**	35,892
Total Liabilities & Shareholders' Equity	**$**	**92,051**	$ 97,884

The balance sheet for Aston Hill at December 31, 2015, reflects total assets of $92.1 million, a decrease of $5.8 million from December 31, 2014. The decrease can mainly be attributed to the decrease in cash of $6.9 million as a result of the bonus provision payment to employees, the payment of interest expense and the dividend payment in the quarter. In addition, the Company acquired $0.9 million in marketable securities during the quarter which increased the investments at fair value through profit or loss. The Company also paid installments for current income taxes during the period which resulted in a current income tax receivable balance of $0.3 million.

Total liabilities decreased by $4.5 million, to $57.3 million, at March 31, 2015, from $61.8 million at December 31, 2014. The primary contributor to this decrease was due to the payment of the bonus provision of $3.2 million and current taxes of $0.6 million in the first quarter of 2015. In addition, the convertible debenture liability decreased in the current quarter due to the interest payment on the convertible debenture, which reduced the interest accrual. The change in fair value for the forward purchase contract liability of $0.2 million also contributed to the decrease in total liabilities.

The revolving line of credit was renewed for a two year term on July 29, 2013, and the credit limit was extended from $4.0 million to $6.0 million. Currently, the Company has $nil drawn on the revolving line of credit.

Aston Hill’s annualized debt-to-EBITDA ratio excluding convertible debentures as at March 31, 2015, was 0.0 to 1.0. Aston Hill is within its financial covenants with respect to its credit facility, which requires that the debt-to-EBITDA ratio remain below 1.2 to 1.0, mutual fund AUM did not fall below $0.75 billion and AUA (Assets Under Administration) did not fall below $2.25 billion.

Shareholders' equity decreased by $1.5 million during the three month period ended March 31, 2015, mainly as a result of dividends paid of $1.3 million and a net loss of $0.2 million in the quarter.

Controls and Procedures

Disclosure controls and procedures ("DC&P") are designed to provide reasonable assurance that all information required to be disclosed by the Company is recorded, processed, summarized and reported within required time periods and that all relevant information is gathered and reported to senior management, including the Chief Executive Officer and the Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure.

Management of the Company has ensured that internal controls over DC&P have been designed to provide reasonable assurance that material information relating to the Company is made known to the Chief Executive Officer and the Chief Financial Officer by others, and information required to be disclosed by the Company in its interim and annual filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation.

Internal controls over financial reporting ("ICFR") have been designed using the Committee of Sponsoring Organizations ("COSO") 2013 framework in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. For the period ended March 31 2015, there have been no changes in ICFR that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Management of the Company has evaluated the design and operations of its DC&P and ICFR (as defined under National Instrument 52-109) as of March 31, 2015, under the supervision of the Chief Executive Officer and the Chief Financial Officer. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the DC&P and ICFR were properly designed and operating effectively as of March 31, 2015.

Risk Management

For a full understanding of the risks that impact Aston Hill, the following discussion should be read in conjunction with the Company's 2014 annual Consolidated Financial Statements.

Aston Hill is exposed to a number of risks through the pursuit of our strategic objectives as listed below:

- Exposure to the securities market
- Credit risk
- Concentration risk
- Investment performance of the funds
- Competitive pressures
- Rapid growth or decline in our AUM
- Sufficiency of insurance
- Changes to the investment management industry regulations
- Dependence on senior management
- Commitment of key personnel
- Employee errors or misconduct
- Capital requirements
- Litigation risks
- General business risk and liability
- Failure by the Company to implement effective information security policies, procedures and capabilities

- Failure by the Company to implement effective and efficient technologies
- Failure to develop effective business resiliency plans and information technology recovery plans
- Failure to comply with government regulations

The foregoing risk factors are mitigated to the extent possible and practical from a cost and perceived benefit perspective by senior management's direct involvement in the day-to-day operation of the business. Senior management meets on a regular basis to address any concerns with the risks discussed above as well as managing any new risks which may arise through business. Financial information as well as in-depth analysis are reviewed by management on a monthly and quarterly basis and therefore mitigate risks in employee and reporting errors. Aston Hill maintains appropriate internal controls and procedures to safeguard assets, control expenses and ensure that financial reporting is accurate and reliable.

Some of these risks impact the investment industry as a whole, and others are unique to our operations. Actively managing these risks improves our ability to effectively execute our business strategy. Our risks have not changed substantially since December 31, 2014. A more in-depth discussion of material risk factors affecting the Company can be found in our annual Consolidated Financial Statements for the year ended December 31, 2014.

Related Party Transactions

a) The funds identified on page 9 of the MD&A are considered to be related parties to the Company's subsidiaries who manage or sub-advise these funds. As such, the managers of the funds receive management fees and sub-advisory fees and pay for expenses incurred by their various funds under management in accordance with the terms outlined in the applicable prospectus. These expenses are then charged back to the funds and are recovered under non-interest bearing, normal credit terms in accordance with the prospectus of the funds.

Accounts receivable as at March 31, 2015, consist of $4.4 million (December 31, 2014 - $3.6 million) in management fees, and other amounts due from funds under management. Accounts payable as at March 31, 2015, includes $0.1 million (December 31, 2014 - $0.3 million) in amounts due to funds under management.

For the period ended March 31, 2015, $8.0 million (March 31, 2014 - $7.3 million) was recorded as revenue in respect of these management and other fees. In addition, for the period ended March 31, 2015, the Company recovered $0.1 million (March 31, 2014 - $0.1 million was absorbed), of expenses incurred by funds under management.

b) As of May 21, 2014, Argent was no longer considered to be a related party as key management personnel of Aston Hill ceased to perform key management personnel services to Argent, however all income statement transactions incurred up to this date are considered to be related party transactions. The transactions discussed below for the current year relate to the period in which Argent was considered a related party.

> i) For the period ended March 31, 2015, $nil of the total administrative revenue (March 31, 2014 - $0.5 million) was considered to be related party. $nil for the period ended March 31, 2015, (March 31, 2014 – $0.2 million) in salary & overhead recoveries for shared overhead costs that have been reimbursed by Argent was considered to be related party.
>
> As at March 31, 2015, $nil (December 31, 2014 - $nil) of the accounts receivable balance is considered to be related party.

ii) On August 10, 2012, 210,000 restricted trust units receivable were granted with a par value of $10.00 per unit to the Company for services rendered under the Contract (note 20(b)). 70,000 restricted trust units vest per year. On August 10, 2013, the Company was paid $0.8 million to settle the first vested tranche of restricted trust units receivable. As Argent is no longer considered to be a related party post May 21, 2014, only revenue recorded before that day is disclosed in the prior year comparative balances. For the period ended March 31, 2015, $nil (March 31, 2014 – gain of $39,000) was recorded as related party revenue.

As at March 31, 2015, $nil (December 31, 2014 - $nil) of the short restricted trust units receivable balance is considered to be related party.

c) RJT Capital Inc. ("RJT") is a company which owns 49% of the outstanding shares of AHF Capital Partners Inc. ("AHF CP"), a subsidiary of the Company. RJT is paid a consulting fee for management services performed for AHF CP.

In addition, payments of expenses are centralized and paid out of Aston Hill, as such RJT reimburses AHF for any expenses paid on behalf of the subsidiary which were paid by the Company. As at March 31, 2015, $nil (December 31, 2014 - $18,000) of trade and other receivables relate to RJT for operating expenses incurred on behalf of the subsidiary which were paid by the Company. As at March 31, 2015, $0.3 million (December 31, 2014 - $0.1 million) of trade and other payables related to the consulting fee payable to RJT. Total consulting fees incurred to date as of March 31, 2015, was $0.5 million (March 31, 2014 - $0.3 million).

d) As at March 31, 2015, $2.8 million (December 31, 2014 - $1.9 million) of the financial assets at fair value through profit or loss are related to seed capital provided by the Company to provide capital to new funds that are managed by the Company. As these funds are managed by the Company's subsidiaries, they are considered to be related party. For the period ended March 31, 2015, $27,000 (March 31, 2014 - $0.1 million of the net gains on investments) of the net losses on investments recorded during the period was related to these funds under management.

All related party transactions are in the normal course of operations and have been measured at the agreed to exchange amounts, which is the amount of consideration established and agreed to by the related parties.

Significant Accounting Policies & Estimates

The unaudited interim condensed consolidated Financial Statements for the period ended March 31, 2015, have been prepared in accordance with IFRS. The accounting policies followed are the same as those applied in the Company's annual Consolidated Financial Statements for the period ended December 31, 2014, except for any changes due to new standards being adopted on January 1, 2015. For a discussion of all significant accounting policies, please refer to note 3 of the December 31, 2014, Notes to the Consolidated Financial Statements. Also included in the Notes to the Consolidated Financial Statements is note 5 which includes a discussion on the determination of the fair values of the Company's investments.

In accordance with IAS 8, the Company accrued a fund compliance expense based on reasonable estimates in the fourth quarter of 2013. During the third quarter of 2014, the compliance expense was substantially recovered through insurance which resulted in a change of estimate. The recovery was not recorded until the third quarter of 2014 as the Company did not have virtual certainty of the insurance recovery until September 2014. Note 26 of the audited Consolidated Financial Statements dated December 31, 2014, includes a discussion on the change in estimate for a compliance expense that was accrued at December 31, 2013, and substantially recovered through insurance in the third quarter of 2014.

Included in the deferred tax provision for the prior year is a change in estimate recorded in the third quarter for a deferred tax asset on a capital loss carry forward, for which the Company considers that the realization of the tax benefit through the use of available capital gains against the capital losses is less probable than not due to current market conditions. Please refer to note 26 of the audited annual Consolidated Financial Statements for further discussion.

Management assesses operating and reportable segments on an annual basis. This assessment follows the principles of IFRS 8 and involves judgment on the type of internal reporting reviewed by management to make strategic operational decisions for the Company, whether discrete financial information is available and whether revenues and expenses that are incurred are allocated or aggregated. The Company has determined that there are two operating segments, being “asset management” and “brokerage”. The Company assessed the aggregation and quantitative criteria for reportable segments and concluded that the brokerage operating segment cannot be aggregated with the Assets under Management operating segment and is also below the quantitative threshold. The Company has included the disclosure for the brokerage operating segment as “brokerage”. Please refer to note 2(d) and note 27 in the December 31, 2014, Consolidated Financial Statements for further information.

Management judgment is required for the classification of Intangible assets as either indefinite life or finite life. The assessment of the useful life of intangible assets is based on the guidance provided in IAS 38.90. The main factors that are considered are: i. intangible assets during the year can be managed efficiently by another management team; ii. there are no fixed termination dates that can be foreseen; and iii. the rights to the intangible assets acquired by the Company do not expire. If the Company assesses that an intangible asset has a finite life, the Company must estimate the useful life of the intangible asset based on fixed termination dates and rights to the intangible assets. Please refer to note 3(e) in the December 31, 2014, Consolidated Financial Statements for further details.

The Company completes a cash generating unit analysis and identification process annually in accordance with IAS 36(66) which defines a cash generating unit as the smallest group of assets that includes the asset and generates cash inflows that are largely independent cash inflows from other assets or groups of assets. The identification involves judgment and the following four criteria are assessed: i. Operations; ii. Regulatory regime; iii. Management; and iv. Revenue. As at December 31, 2014, the Company has assessed that two Cash Generating Units exist within the organization, asset management CGU and brokerage CGU. The change from the prior year assessment was a movement from one operating segment to two operating segments in 2014.

The Company’s goodwill and indefinite life intangible assets are reviewed for impairment annually or more frequently if changes in circumstances indicate that the carrying value may be impaired. The values associated with the valuation of the Company’s goodwill and indefinite life intangibles and their allocation CGUs involve significant estimates and assumptions. The Company uses the higher of fair value less cost to sell and the value in use method in order to calculate the recoverable amount of the CGU. Significant estimates require considerable judgment regarding the underlying AUM associated with the CGUs and available AUM multiples from recent transactions for similar assets within the same industry. Further details are provided in note 3(e) and note 14.

All investments held at fair value through profit or loss, except for the Company’s investment in Argent Energy Trust, consist of seed capital in the Company’s funds under management. Management uses judgment in its assessment for control, significant influence or joint control as well as for the appropriate disclosures at each reporting period based on the principles of IFRS 10, IAS 28 and IFRS 12. Please see note 3(q) in Notes to the Consolidated Financial Statements for the year ended December 31, 2014, for further details.

The following standards were adopted effective January 1, 2015:

On January 1, 2015, the Company adopted the following:

IAS 24 – Related Party Transactions

The IASB amended IAS 24 Related Party Transactions to revise the definition of "related party" to include an entity that provides key management personnel services to the reporting entity or its parent and to clarify related disclosure requirements. The Company has assessed the impact of the amendment and noted that no change has been assessed on its related party assessment.

IAS 16 – Property, Plant and Equipment and IAS 38 – Intangible Assets

The IASB amended IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets to clarify how gross carrying amount and accumulated depreciation are treated when an entity uses the revaluation model. The Company has assessed that there is no impact on its financial statements as a result of the amendment.

IAS 19 – Employee Benefits

The IASB amended IAS 19 Employee Benefits to reflect significant changes to recognition and measurement of defined pension expense and termination benefits and expanded disclosure requirements. The Company has assessed that there is no impact on its financial statements as a result of the amendment.

The following standards will be adopted effective January 1, 2016:

The Company is still evaluating the impact of the following amendments on its financial statements.

IAS 1 – Presentation of Financial Statements

The IASB amended IAS 1 Presentation of Financial Statements to clarify guidance on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policy.

IFRS 10 – Consolidated Financial Statements

The IASB amended IFRS 10 Consolidated Financial Statements to clarify the application of the consolidation exception for investment entities and their subsidiaries.

IAS 16 – Property, Plant and Equipment

The IASB amended IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets to: (i) clarify that the use of a revenue-based depreciation and amortization method is not appropriated; and (ii) provide a rebuttable presumption for intangible assets.

IFRS 7 – Financial Instruments: Disclosures

The IASB amended IFRS 7 Financial Instruments: Disclosures, to: (i) add guidance on whether an arrangement to service a financial asset which has been transferred constitutes continuing involvement; and (ii) clarify that the additional disclosure required by the amendments to IFRS 7, (Disclosure – Offsetting Financial Assets and Financial Liabilities), is not specifically required for interim periods, unless required by IAS 34.

The following standards will be adopted effective January 1, 2017:

IFRS 15 – Revenue from Contracts with Customers

The IASB will issue IFRS 15 Revenue from Contracts with Customers. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. The Company has not yet begun the process of assessing the impact the new standard with have on its financial statements.

Financial Instruments

As of March 31, 2015, Aston Hill's financial instruments include cash, investments at fair value through profit or loss, accounts receivable, restricted trust units, trade and other payables, provisions, investments at fair value through other comprehensive income, share based compensation and convertible debentures.

As at March 31, 2015, the fair value of cash and cash equivalents, trade and other receivables, notes receivable, provisions and trade and other payables approximated their carrying value due to their short term nature.

Restricted trust units receivable are fair valued at each reporting period by using the fair value models calculated by Aston Hill. As at March 31, 2015 the restricted trust units receivable were fair valued to be $23,000 (December 31, 2014 - $68,000). The valuation model to fair value restricted trust units receivable uses the quoted price from the TSX for the Argent shares at each period end. It is considered to be a level 2 fair value measurement as it is actively traded on the TSX with quoted prices but is not an identical asset.

In addition, the Company holds investments at fair value through profit or loss which consists of an investment in units of Argent Energy Trust, which is classified as a level 1 investment as the quoted market price is used to fair value an identical asset at each period end. The remaining marketable securities consist of investments in funds which have been classified as level 2 investments. As at March 31, 2015, the Company's investments at fair value through profit or loss totaled $2.9 million (December 31, 2014 - $2.0 million). During the three month period ended March 31, 2015, the Company recorded net unrealized loss on its marketable securities of $0.1 million compared to the $0.4 million loss from the prior year.

The fair value of the convertible debentures at initial recognition was determined based on discounted cash flows assuming no future conversions and continuation of current interest and principal payments as well as taking into consideration the current public trading activity of such debentures. The Company applied a discount rate of 10% considering current available market information, assumed credit adjustments and various terms to maturity. The equity component of the debentures was calculated as the residual between the face value of the instrument and the fair value of the debt.

The fair value of employee share based compensation is measured using a Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behavior), expected dividends, and the risk-free interest rate (based on government bonds).

The Company's comparative information included the fair value of the Company's investment in Journey Energy Inc. (formerly Sword Energy Inc.) that was sold on June 19, 2014 was a financial asset recorded at fair value through other comprehensive income. Aston Hill used estimation techniques to determine fair value which included recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis, multiple earnings analysis and reserve based valuations. The fair value was affected significantly by a volatile oil and natural gas pricing environment; therefore, the fair value of the Journey investment may have historically fluctuated materially from quarter to quarter. The Company sold its equity investment in Journey on June 19, 2014. The Company previously owned 1.4 million common shares or approximately 2.7% of the total outstanding common shares of Journey. At the time of the sale, the fair market value of the investment was $8.7 million. As such, the Company recognized a gain in fair value through other comprehensive income of $0.9 million from the prior period. Upon the sale of the equity investment, the total accumulated other comprehensive loss and the change in fair value during the period was transferred into retained earnings, consistent with IFRS 9.

Outstanding Share Data

Capital	Authorized		Outstanding as at May 14, 2015	Common Shares Underlying Convertible Securities
Common shares [1]	Unlimited		89,596,893	Not applicable
Stock options	Not applicable		7,013,841	7,013,841
Convertible debentures (face value) 6.00% maturing 2016	Not applicable	$	40,164,000	15,750,588

[1] The common shares are presented net of 110,092 common shares held in treasury. The Company received shareholder approval to reserve for issuance up to 10% of the issued and outstanding Common Shares at the date of the creation for its incentive stock option plan.

Additional Information

Reference is made in this Management Discussion & Analysis to the Company's Consolidated Financial Statements disclosure for the relevant periods filed on the SEDAR website at www.sedar.com where additional disclosure relating to the Company can also be located.

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