



**Management Discussion and Analysis
For the three and six month period ended June 30, 2015**

Management's Discussion and Analysis

The following management discussion and analysis ("MD&A") dated August 4, 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 three and six month period ended June 30, 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 assets. 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, restructuring costs and net losses (profits) on investments in order to provide users with the earnings before non-cash and non-recurring 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 three month period ended June 30, 2015, financial results were impacted by the following:

- Gross open end mutual fund sales totaled \$163.0 million in the second quarter of 2015. However, due to continued market volatility, redemptions during the quarter totaled \$102.0 million, which resulted in net sales of \$61.0 million. The remaining change in open end mutual fund AUM was due to market performance in the quarter.
- Managed closed end funds AUM decreased by \$123.0 million during the quarter due to redemptions and negative market performance.

- On June 30, 2015, the Company announced its cost cutting initiatives through the consolidation of certain corporate functions from the Calgary office to the Toronto office.
- It was announced on June 30, 2015 that Peter Anderson will be appointed to an interim senior executive role effective August 1, 2015, subsequently the senior executive role was clarified to be Interim Chief Executive Officer. For further details, see “Subsequent Events” on page 28.
- The consolidation of the Calgary office functions into the Toronto office resulted in \$3.6 million of restructuring costs being recognized in the quarter.
- The non-renewal of the IA Clarington Investments Inc. (“IA Clarington”) sub-advisory agreement halfway through the first quarter and the decrease in average AUM for closed end mutual funds resulted in a \$0.9 million decrease in revenue for the second quarter of 2015.
- Revenue from management fees as a percentage of total revenue was 81% for the period ended June 30, 2015, compared to 68% in the prior year.
- Sub-advisory revenue as a percentage of total revenue was 5% compared to 21% in the prior year due to the non-renewal of the IA Clarington sub-advisory agreement.
- Other revenue as a percentage of total revenue was 7% compared to 5% in the prior year.
- Salaries and wages decreased by \$0.7 million compared to the prior quarter due to non-recurring payments in the prior quarter related to employee layoff severance payments in relation to corporate cost saving initiatives and a recruitment bonus paid as part of the employment of two investment advisors at Aston Hill Securities Inc.
- It was announced on June 30, 2015 that Co-Chief Investment Officer, Jeffrey Burchell, resigned to manage an absolute return strategy targeted at institutional and high net worth clients and that Ben Cheng would re-establish his role as sole Chief Investment Officer.

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”), Newport Yield (“Newport”), Lonsdale Tactical Balanced Fund (“Lonsdale”) and BMO Nesbitt Burns (“BMO”). Five licensed portfolio managers, including Ben Cheng, Barry A. Morrison, Andrew Hamlin, Vivian Lo and John Kim in the Toronto office, are responsible for the Financial Portfolio Management and Advisory division of Aston Hill as of June 30, 2015.

AHF Capital Partners (“AHFCP”) manages and provides sub-advisory services for four 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.

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 average 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. Brokerage revenue encompasses brokerage fees, investment management fees, and trading 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, 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

It is pretty clear that as far as economic recoveries go, the post-Credit Crisis rebound has been at a lesser rate than previous recoveries. In 2015, the year started with a quarter of near-zero growth due to a few factors including seasonally harsh weather. However, the important drivers of the U.S. economy, including autos, housing, consumer sentiment and overall employment, signal that the second half of the year will likely mark an acceleration compared with the first half. We believe that in the big picture this remains a low interest rate world. There are a number of factors moderating rate increases globally including below-trend economic growth, demographic reasons (aging populations and associated demand for income) and a tepid inflation outlook helped along by recent declines in commodity prices, including oil. That does not mean that rates are not going higher, but we believe that any rate increases will be slow and gradual. Should we be concerned about the decline in the Chinese stock market and its follow-on effect on commodities? It appears the reaction to the Shanghai Composite's decline has been much more pronounced than its increase earlier this year because the index is still up 23% this year even after its decline from up 60% in mid-June. As we look ahead, we expect the road to remain bumpy in the short term, but likely higher this time next year. One of the concerns about the market we have expressed in the past is that the U.S. market is highly valued and this high valuation is sustained due to the very low interest rate environment. We are cognizant that yields will rise in the future, we just don't know when and at what speed, and this will impact the valuation that investors are willing to put on the market.

Business Outlook

Over the past year the Company has been focused on growing its in-house mutual funds and has achieved a 40% increase in the percent of revenue generated from these funds. In response to the needs of investors, Aston Hill has moved specifically towards providing liquid alternative mutual funds in order to meet the growing demand for diversified, risk-adjusted investments. Several new liquid alternative funds were launched earlier this year, and the Company plans to continue to launch additional products later in the year which will be managed by Ben Cheng after his non-compete restrictions expire in mid-November 2015.

Executing on the plan to grow its in-house mutual funds remains critical to the Company's success, and as such, Management made the decision in the first quarter of 2015 not to renew the sub-advisory relationship with IA Clarington so that Ben Cheng would be able to manage investment funds for Aston Hill directly in mid-November 2015. The loss of this sub-advisory revenue, while impactful in the short-term to the Company's earnings, better positions the Company to achieve long-term growth from its in-house mutual funds by appointing Ben Cheng as a portfolio manager exclusively for Aston Hill's investment products. Additionally, the Company will be able to increase its focus on sales efforts in the Mutual Fund Dealers Association of Canada channel beginning in late August, something it has not previously been able to do because of the sub-advisory relationship.

To further contribute to its objective of growing the in-house mutual fund business, the Company is focusing on cost cutting initiatives including consolidating the corporate functions currently being run from the Calgary, Alberta office to the Toronto, Ontario office. This corporate reorganization resulted in a one-time cost of \$3.6 million during the quarter, however the annual cost savings are estimated to be approximately \$2.0 million per year, which over the coming quarters will provide the Company with a more efficient cost structure upon which future growth can be built.

The on-going investments the Company is making to create an expansive retail distribution platform and complete internal infrastructure gives Aston Hill the opportunity to drive significant profitability and growth in its proprietary products. Combined with the recent senior management changes, corporate reorganization, and cost cutting initiatives, Management feels the Company is better positioned to achieve the objective of providing Canadian retail investors with best in class products to meet their financial needs.

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)	June 30, 2015	March 31, 2015	December 31, 2014	June 30, 2014
Assets Under Management , Advisory, Brokerage and Other				
Managed funds				
Open end funds	\$ 1,147	\$ 1,086	\$ 1,061	\$ 980
Closed end funds	1,345	1,468	1,453	1,977
Hedge funds	41	41	28	17
Total Aston Hill managed funds	\$ 2,533	\$ 2,595	\$ 2,542	\$ 2,974
Sub-advised funds				
Open end funds	571	601	2,847	3,503
Closed end funds	107	122	127	206
Total sub-advised funds	\$ 678	\$ 723	\$ 2,974	\$ 3,709
Other assets	368	380	407	564
Brokerage	416	419	331	236
Total Assets under Management, Advisory, Brokerage and Other	\$ 3,995	\$ 4,117	\$ 6,254	\$ 7,483

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)	June 30, 2015	March 31, 2015	December 31, 2014	June 30, 2014
Average Assets Under Management , Advisory, Brokerage and Other				
Managed funds				
Open end funds	\$ 1,163	\$ 1,087	\$ 1,070	\$ 940
Closed end funds	1,415	1,476	1,504	1,869
Hedge Funds	40	36	26	16
Total Aston Hill managed funds	\$ 2,618	\$ 2,599	\$ 2,600	\$ 2,825
Sub-advised funds				
Open end funds	\$ 594	\$ 1,299	\$ 3,023	\$ 3,519
Closed end funds	111	123	144	211
Total sub-advised funds	\$ 705	\$ 1,421	\$ 3,167	\$ 3,730
Other assets	379	391	438	576
Brokerage	420	389	335	210
Total Average Assets under Management, Advisory, Brokerage and Other	\$ 4,122	\$ 4,800	\$ 6,540	\$ 7,341

For the quarter ended June 30, 2015 compared to the prior quarter:

- AUM for Aston Hill managed funds decreased by \$62.0 million from the prior quarter. Open end funds had gross sales of \$163.0 million in the first quarter of 2015. This positive growth was netted against redemptions of \$102.0 million in open end mutual funds. This growth in open end fund AUM was offset by the net decrease in closed end mutual funds of \$123.0 million due to market performance and hedge fund AUM remained consistent quarter over quarter.
- Sub-advised funds decreased from the prior quarter by \$45.0 million mainly as a result of the decrease caused by Renaissance Millennium High Income Fund and BMO US Housing Recovery Fund redemptions.
- The net decrease in the AUM of other assets of \$12.0 million can mainly be attributed to the reduction in Argent's valuation.
- The Brokerage AUM remained relatively consistent quarter over quarter.

For the quarter ended June 30, 2015 compared to the same period in the prior year:

- AUM for Aston Hill managed funds decreased by \$441.0 million from the same quarter in the prior year. This was the result of a net increase in open end mutual fund AUM of \$167.0 million due to the sales effort in 2014 and 2015. This increase was offset by the decrease in closed end fund AUM of \$632.0 million as a result of redemptions and market performance in the latter half of 2014 and the first half of 2015.
- Sub-advised funds decreased from the same period in the prior year by \$2.9 billion mainly as a result of the non-renewal of the sub-advisory relationship with IA Clarington in the first quarter of 2015.
- The net decrease in the AUM of other assets of \$196.0 million can mainly be attributed to the reduction in Argent's valuation.
- The \$180.0 million increase in Brokerage AUM can be attributed to the recruitment of two investment advisors during the first quarter of 2015 who brought \$77.0 million in assets to AHS. 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. The beginning of period balance refers to December 31, 2014. 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 June 30, 2015	Closed end funds June 30, 2015	Hedge funds June 30, 2015
Assets Under Management - Beginning of Period	\$ 1,061	\$ 1,453	\$ 28
Subscriptions	260	-	15
Redemptions	(222)	(89)	(4)
Investment performance	48	(19)	2
Assets Under Management - End of Period	\$ 1,147	\$ 1,345	\$ 41

Other Assets (in millions of Canadian dollars)	Other Assets June 30, 2015
Assets Under Management - Beginning of Period	\$ 407
Subscriptions	5
Redemptions	(4)
Investment performance	(40)
Assets Under Management - End of Period	\$ 368

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 Banc 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
- U.S. Agency Mortgage Backed REIT Advantaged Fund
- Voya Global Income Solutions Fund

Mutual funds:

- Aston Hill Canadian Total Return Fund & Class
- 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 Voya Floating Rate Income Fund
- Aston Hill US Growth Fund & Class

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 June 30, 2015	As at March 31, 2015	As at June 30, 2014	% change quarter-over- quarter	% change year-over- year
Assets under management (in billions)	\$ 4.00	\$ 4.12	\$ 7.48	-3%	-47%
Total assets	92,185	92,051	97,138	0%	-5%
Shares outstanding	89,488	89,488	89,351	0%	0%

<i>For the three months ended</i>	June 30, 2015	March 31, 2015	June 30, 2014	% change quarter-over- quarter	% change year-over- year
Total revenues	\$ 9,715	\$ 10,642	\$ 12,151	-9%	-20%
Total expenses excluding finance expense	11,509	9,630	9,463	20%	22%
Total finance expense	1,092	1,026	834	6%	31%
(Loss) income before income taxes	\$ (2,886)	\$ (14)	\$ 1,854	-20514%	-256%
Income tax (recovery) expense	\$ (975)	\$ (40)	\$ 560	-2338%	-274%
Net (loss) income	\$ (1,911)	\$ 26	\$ 1,294	-7450%	-248%
Net income to non-controlling interest	164	201	267	-18%	-39%
Net (loss) income to controlling interest	\$ (2,075)	\$ (175)	\$ 1,027	-1086%	-302%
Per share - Basic	\$ (0.023)	\$ (0.002)	\$ 0.011	-1050%	-309%
Per share - Diluted	\$ (0.023)	\$ (0.002)	\$ 0.011	-1050%	-309%
Cash dividends declared per share	\$ 0.005	\$ 0.015	\$ 0.015	-67%	-67%
EBITDA	\$ (1,019)	\$ 1,715	\$ 3,403	-159%	-130%
Weighted average shares outstanding	89,617	89,169	89,555	1%	0%

For the three month period ended June 30, 2015 compared to the prior quarter:

- Total revenue decreased by \$0.9 million from the prior quarter. The decrease is mainly attributable to the end of the sub-advisory relationship between Aston Hill and IA Clarington on February 13, 2015. In the prior quarter, the Company earned sub-advisory fees of \$0.9 million from IA Clarington, which was prorated for January 1, 2015 – February 13, 2015.
- Total expenses excluding finance expense increased by \$1.9 million from the prior quarter. This increase can be attributed to the \$3.6 million in restructuring costs expensed in the period due to the planned consolidation of the Calgary office functions with the Toronto office, announced on June 30, 2015. The restructuring costs includes both an onerous lease contract for the Calgary office space and termination and related post-employment benefits.
- If the restructuring costs and finance expense are excluded from total expenses, there was a decrease of \$1.7 million from the prior quarter. The decrease from the prior quarter can mainly be attributed to the decrease in net losses on investments of \$1.0 million. In addition, salaries and wages have decreased by \$0.7 million as the prior quarter included severance payments, as well as the deferred recruitment bonus paid to two new investment advisors.

- The general and administrative expenses decreased by \$0.3 million from the prior quarter as a result of a non-recurring fee paid to IA Clarington upon the end of the sub-advisory relationship in the prior quarter of \$0.5 million. This decrease was partially offset by a \$0.2 million increase due to the launch of several funds throughout the year. Product development fees increased by \$0.3 million from the prior quarter as a result of a non-recurring recovery in the first quarter of 2015.
- EBITDA decreased by \$2.7 million from the prior quarter which can be primarily attributed to the restructuring costs of \$3.6 million expensed in the quarter.

For the three month period ended June 30, 2015 and the same period in the prior year:

- Revenue decreased by \$2.4 million mainly as a result of the end of the sub-advisory relationship between Aston Hill and IA Clarington on February 13, 2015. In Q2 2014, the Company earned \$2.0 million from the IA Clarington sub-advisory relationship. The decrease in revenue from the same quarter in the prior year can also be attributed to the decrease in closed end fund management fees due to redemptions in the latter half of 2014 and the first half of 2015.
- Total expenses excluding finance expense increased by \$2.0 million mostly as a result of the restructuring costs expensed in the current quarter of \$3.6 million. Excluding the effect of the restructuring costs, total expenses excluding finance expenses decreased by \$1.6 million mostly as a result of a \$1.5 million decrease in losses on investments. Net losses on investments decreased due to the fair value of the forward purchase liability which is affected by the Aston Hill share price. Salaries and wages decreased by \$0.3 million as a result of lower bonus provisions in the current quarter. Total general and administrative expenses increased by \$0.5 million primarily due to expenses related to the reorganization of certain funds in the quarter of \$0.3 million. The remaining \$0.2 million increase in general and administrative expenses can be attributed to costs associated with the launch of several funds during the year. Sub-advisory expense decreased by \$0.2 million in the period as a result of lower closed end fund AUM in the current quarter. In addition, share based compensation decreased by \$0.3 million in the current year due to large forfeitures and the vesting of the first tranche of restricted share units in the first quarter, which were fully expensed during the vesting period.
- EBITDA decreased by \$4.4 million from the same period in the prior year. The decrease can mostly be attributed to the decrease in revenue of \$2.4 million and the increase in expenses of \$3.6 million for restructuring costs and the increase in general and administrative expenses of \$0.5 million. This increase was netted against the decrease in the net losses on investments of \$1.5 million and sub-advisory expenses of \$0.2 million.
- Net loss to controlling interest was \$2.1 million (-\$0.023 per share) for the three months ended June 30, 2015 compared to the net income to controlling interest of \$1.0 million (\$0.011 per share) for the prior year. The decrease of \$3.1 million was primarily the result of the decrease in sub-advisory revenue and the restructuring costs expensed in the quarter.

(in thousands except assets under management and,
per share amounts)

		As at June 30, 2015	As at June 30, 2014	% change year-over- year
Assets under management (in billions)	\$	4.00	\$ 7.48	-47%
Total assets		92,185	97,138	-5%
Shares outstanding		89,488	89,351	0%

For the six months ended

		June 30, 2015	June 30, 2014	% change year-over- year
Total revenues	\$	20,357	\$ 23,219	-12%
Total expenses excluding finance expense		21,139	19,014	11%
Total finance expense		2,118	2,098	1%
(Loss) Income before income taxes	\$	(2,900)	\$ 2,107	-238%
Income tax (recovery) expense*		(1,015)	820	-224%
Net (loss) income*	\$	(1,885)	\$ 1,287	-246%
Net income to non-controlling interest		365	466	-22%
Net (loss) income to controlling interest*	\$	(2,250)	\$ 821	-374%
Per share - Basic*	\$	(0.025)	\$ 0.009	-380%
Per share - Diluted*	\$	(0.025)	\$ 0.009	-379%
Cash dividends recorded per share	\$	0.020	\$ 0.030	-33%
EBITDA	\$	696	\$ 5,567	-87%
Weighted average shares outstanding		89,338	89,764	0%

For the six month period ended June 30, 2015 compared to the prior year:

- Total revenue decreased by \$2.9 million from the same period in the prior year. The decrease is mainly attributable to the end of the sub-advisory relationship between Aston Hill and IA Clarington on February 13, 2015 as the Company earned \$4.0 million in the prior year from IA Clarington, compared to \$0.9 million in the current year.
- Expenses excluding finance expense increased by \$1.5 million from the same period in the prior year mainly due to the \$3.6 million in restructuring costs expensed in the current period. In addition, general and administrative expense increased by \$1.2 million, trailer fees increased by \$0.4 million and amortization of deferred sales commissions increased by \$0.3 million. This was netted against the decrease in net loss on investments of \$2.1 million, \$0.5 million in sub-advisory expense, \$0.4 million in share based compensation and \$0.2 million in product development.
- EBITDA decreased by \$4.9 million as a result of lower revenues of \$2.9 million and the increase in expenses as a result of restructuring costs and general and administrative expenses increase. This was partially offset by the decrease in the net loss on investments of \$2.1 million and \$0.5 million in sub-advisory expenses.

- Net loss to controlling interest for the six months ended June 30, 2015 was \$2.3 million compared to net income to controlling interest of \$0.8 million in the prior year. This decrease in net income is mainly attributable to the decrease in revenue as a result of the non-renewal of the IA Clarington sub-advisory relationship and the restructuring costs expensed in the current quarter. This was netted against the decrease in net loss on investments. The Company had a net loss per share of \$0.025 compared to the earnings per share of \$0.009 in the prior year.

Results of Operations

Pre-Tax Operating Earnings

(in thousands of Canadian dollars, except per share amounts)					
	Quarter ended			Six months ended	
	June 30, 2015	March 31, 2015	June 30, 2014	June 30, 2015	June 30, 2014
(Loss) income before income taxes	\$ (2,886)	\$ (14)	\$ 1,854	\$ (2,900)	\$ 2,107
Add:					
Net (gains) losses on investments	(1,348)	(325)	111	(1,673)	395
Amortization of deferred sales commissions	453	381	307	834	566
Amortization of intangibles - finite life	250	250	299	500	599
Amortization of deferred recruitment bonus	-	-	-	-	-
Depreciation of property and equipment	72	72	109	144	197
Share based payments expense	97	175	351	272	710
Pre-tax operating (loss) earnings	\$ (3,362)	\$ 539	\$ 3,031	\$ (2,823)	\$ 4,574
Per share	(0.038)	0.006	0.034	(0.032)	0.051

For three months ended June 30, 2015:

Pre-tax operating earnings, as set out in the table above, was a \$3.4 million loss for the quarter ended June 30, 2015, which was a \$3.9 million or a 724% decrease from the prior quarter and a \$6.4 million or 211% 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 \$0.9 million and the restructuring costs of \$3.6 million expensed in the current quarter compared to the prior quarter. This was partially netted against the decrease in salaries and wages of \$0.7 million. The change from the same period in the prior year is due to the decrease in revenue of \$2.4 million and the increase in expenses due to the restructuring costs expensed in the current period of \$3.6 million and the \$0.5 million increase in general and administrative expenses.

For the six months ended June 30, 2015:

The decrease in pre-tax operating earnings of a \$7.4 million loss or 162% from the prior year can mainly be attributed to the \$2.9 million decrease in revenue due to the decrease in sub-advisory fee revenue as the Company did not renew its sub-advisory relationship with IA Clarington. In addition, the restructuring costs of \$3.6 million expensed in the current quarter also contributed to the difference. This was partially netted against the decrease in sub-advisory fees of \$0.5 million and product development of \$0.2 million.

Summary of Quarterly Results

(in thousands of Canadian dollars, except per share amounts)								
<i>Three months ended,</i>	June 30,	Mar 31,	Dec 31,	Sept 30,	June 30,	Mar 31,	Dec 31,	Sept 30,
	2015	2015	2014	2014	2014	2014	2013	2013
Revenues	\$ 9,715	\$ 10,642	\$ 11,710	\$ 12,400	\$ 12,151	\$ 11,068	\$ 11,424	\$ 9,176
Expenses								
Salaries and wages	3,073	3,768	3,294	4,800	3,350	3,509	3,742	2,855
General and administrative	2,564	2,902	2,150	1,552	2,101	2,209	2,796	2,482
Restructuring costs	3,618	-	-	-	-	-	-	-
Sub-advisory expense	1,047	1,018	1,126	1,257	1,285	1,253	1,229	142
Product development	215	(95)	131	199	143	135	200	117
Share based compensation	97	175	222	173	351	359	128	430
Depreciation of property & equipment	72	72	105	119	109	88	133	70
Amortization of intangible assets - finite	250	250	299	298	299	300	480	-
Amortization of deferred								
sales commissions	453	381	355	326	307	259	178	277
Trailer fees	1,444	1,465	1,533	1,499	1,360	1,102	894	748
Commissions	24	19	28	6	47	53	45	54
Net losses (profits) on investments	(1,348)	(325)	24	118	111	284	172	(129)
Finance expense	1,092	1,026	1,098	1,077	834	1,264	1,152	1,041
Total expenses	\$ 12,601	\$ 10,656	\$ 10,365	\$ 11,424	\$ 10,297	\$ 10,815	\$ 11,149	\$ 8,087
(Loss) income before income taxes	(2,886)	(14)	1,345	976	1,854	253	275	1,089
Income taxes*	(975)	(40)	433	625	560	260	486	570
Net (loss) income for the period*	\$ (1,911)	\$ 26	\$ 912	\$ 351	\$ 1,294	\$ (7)	\$ (211)	\$ 519
Net income (loss) to non-controlling interest	164	201	338	266	267	199	270	85
Net (loss) income to controlling interest*	\$ (2,075)	\$ (175)	\$ 574	\$ 85	\$ 1,027	\$ (206)	\$ (481)	\$ 434
Net (loss) income - per share - basic*	\$ (0.023)	\$ (0.002)	\$ 0.006	\$ 0.001	\$ 0.011	\$ (0.002)	\$ (0.006)	\$ 0.005
Net (loss) income - per share - diluted*	\$ (0.023)	\$ (0.002)	\$ 0.006	\$ 0.001	\$ 0.011	\$ (0.002)	\$ (0.006)	\$ 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 the year ended December 31, 2014 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

(in thousands of Canadian dollars)	For the quarter ended			
	June 30, 2015	March 31, 2015	December 31, 2014	June 30, 2014
Revenue				
Management fees				
Open end funds	\$ 4,331	\$ 4,300	\$ 4,102	\$ 3,645
Closed end funds	3,392	3,370	3,651	4,115
Hedge Funds	102	95	77	48
Total management fees	\$ 7,825	\$ 7,765	\$ 7,830	\$ 7,808
Sub-advisory fees				
Open end funds	\$ 361	\$ 1,250	\$ 2,139	\$ 2,429
Closed end funds	120	128	154	224
Total sub-advisory fees	\$ 481	\$ 1,378	\$ 2,293	\$ 2,653
Other revenue	709	769	854	1,097
Brokerage	700	730	733	593
Total revenue	\$ 9,715	\$ 10,642	\$ 11,710	\$ 12,151

	For the quarter ended			
	June 30, 2015	March 31, 2015	December 31, 2014	June 30, 2014
Fees as a percentage of total revenue				
Management fees				
Open end funds	45%	40%	40%	32%
Closed end funds	35%	32%	32%	35%
Hedge Funds	1%	1%	1%	1%
Total management fees	81%	73%	73%	68%
Sub-advisory fees				
Open end funds	4%	12%	12%	19%
Closed end funds	1%	1%	1%	2%
Total sub-advisory fees	5%	13%	13%	21%
Other revenue	7%	7%	6%	5%
Brokerage	7%	7%	8%	6%
Percentage of total revenue	100%	100%	100%	100%

	June 30, 2015	March 31, 2015	December 31, 2014	June 30, 2014
Fees as a percentage of average AUM				
Management fees				
Open end funds	1.49%	1.58%	1.51%	1.41%
Closed end funds	0.96%	0.91%	0.99%	0.94%
Hedge Funds	1.01%	1.04%	0.85%	0.88%
Sub-advisory fees				
Open end funds	0.24%	0.39%	0.66%	0.29%
Closed end funds	0.43%	0.42%	0.50%	0.44%
Other revenue	0.75%	0.79%	0.87%	0.82%
Brokerage fees*	0.67%	0.75%	0.75%	0.86%
Total revenue as a percentage of total average AUM	0.97%	0.90%	1.00%	0.67%

*Brokerage fees are not directly driven by average AUM.

For the quarter ended June 30, 2015 compared to the prior quarter:

Total management fees are driven by the average AUM in the quarter as well as the management fee rate. Total management fees for the quarter remained relatively consistent. 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 prior quarter. The fee as a percentage of average AUM for the open end sub-advisory fees decreased as both the revenue and the average AUM for the quarter did not include IA Clarington. The closed end sub-advisory fees remained consistent from the prior quarter.

Other revenue remained relatively consistent from the prior quarter. The fee as a percentage of average AUM remained relatively consistent quarter over quarter.

Brokerage revenue remained consistent quarter over quarter.

For the quarter ended June 30, 2015 compared to the same period in the prior year:

The increase of \$0.7 million in open end fund management fees netted against the decrease in closed end fund management fees of \$0.7 million for a consistent level of management fees between the two quarters. The increase in open end fund management fees was due to the increase in open end fund AUM as gross sales continued to grow in the latter half of 2014. The decrease in the closed end fund management fees was a result of the large redemptions that occurred in the fourth quarter of 2014. Total management fee revenue as a percentage of average AUM remained relatively consistent.

Total sub-advisory fees in the quarter decreased by \$2.1 million as a result of the non-renewal of the IA Clarington sub-advisory relationship on February 13, 2015. The fee as a percentage of average AUM for the open end sub-advisory fees remained consistent.

Other revenue decreased by \$0.4 million mainly as a result of the decrease in enterprise value for Argent, which drives the administration fee earned by the Company. During the second quarter of 2014, the administration fee was \$0.3 million, whereas the current quarter administration fee is \$0.2 million. The other \$0.2 million decrease was due to the change in average AUM for institutional portfolios.

Brokerage revenue increased by \$0.1 million in the current quarter compared to the same period in the prior year. The change is mostly driven by trading commissions earned on new client portfolio assets being transferred to AHS.

EBITDA

(in thousands of Canadian dollars, except per share amounts)						
	Three months ended			Six months ended		
	June 30, 2015	March 31, 2015	June 30, 2014	June 30, 2015	June 30, 2014	
Net (loss) income for the period	\$ (1,911)	\$ 26	\$ 1,294	\$ (1,885)	\$ 1,287	
Add (deduct):						
Finance expense	1,092	1,026	834	2,118	2,098	
Income tax expense	(975)	(40)	560	(1,015)	820	
Amortization of intangible assets - finite	250	250	299	500	599	
Amortization of deferred sales commissions	453	381	307	834	566	
Depreciation of property and equipment	72	72	109	144	197	
EBITDA	\$ (1,019)	\$ 1,715	\$ 3,403	\$ 696	\$ 5,567	
EBITDA Per diluted share	\$ (0.011)	\$ 0.019	\$ 0.024	\$ 0.008	\$ 0.061	
EBITDA margin (as a % of revenue)	-10%	16%	20%	3%	24%	
Restructuring costs	3,618	-	-	3,618	-	
Net (gains) losses on investments	(1,348)	(325)	111	(1,673)	395	
Share based compensation	97	175	351	272	710	
Adjusted EBITDA	\$ 1,348	\$ 1,565	\$ 3,865	\$ 2,913	\$ 6,672	
Adjusted EBITDA Per diluted share	\$ 0.015	\$ 0.017	\$ 0.042	\$ 0.033	\$ 0.073	
Adjusted EBITDA margin (as a % of revenue)	14%	15%	32%	14%	29%	

For the three months ended June 30, 2015:

EBITDA for the quarter ended June 30, 2015 was a \$1.0 million loss (-\$0.011 per share) compared with EBITDA of \$1.7 million (\$0.019 per share) for the prior quarter and \$3.4 million (\$0.024 per share) for the quarter ended June 30, 2014. The 159% decrease from the prior quarter is primarily due to the decrease in revenue of \$0.9 million and the restructuring costs of \$3.6 million expensed in the current quarter. The decrease of 130% in EBITDA from the same quarter in the prior year is mainly attributable to the decrease in revenue of \$2.4 million and the restructuring costs expensed in the quarter.

EBITDA as a percentage of total revenues (EBITDA margin) for the quarter was -10%, compared to 16% 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 six months ended June 30, 2015:

EBITDA for the six months ended June 30, 2015 was \$0.7 million (\$0.008 per share) compared with EBITDA of \$5.6 million (\$0.061 per share) in the prior year. The 87% decrease from the prior year is primarily due to the decrease in revenue from the non-renewal of the IA Clarington sub-advisory relationship and the restructuring costs of \$3.6 million expensed in the current quarter.

EBITDA as a percentage of total revenues (EBITDA margin) for the quarter was 3%, compared to 24% from the prior year. The decrease in EBITDA margin was the result of the decrease in revenue and the increase in expenses during the quarter.

Asset Management Segment Disclosure

<i>Asset management segment</i>	Three months ended			Six months ended		
<i>(in thousands of Canadian dollars)</i>	June 30, 2015	March 31, 2015	June 30, 2014	June 30, 2015	June 30, 2014	
Revenues	\$ 8,990	\$ 9,912	\$ 11,626	\$ 18,902	\$ 22,313	
Expenses						
Salaries and wages	\$ 2,483	\$ 2,982	\$ 2,969	\$ 5,465	\$ 6,197	
General and administrative	2,466	2,755	1,956	5,221	3,974	
Restructuring costs	3,618	-	-	3,618	-	
Sub-advisory expense	1,047	1,018	1,285	2,065	2,538	
Product development	215	(95)	143	120	278	
Share based compensation	97	175	351	272	710	
Depreciation of property & equipment	72	72	109	144	197	
Amortization of intangible assets - finite	250	250	299	500	599	
Amortization of deferred sales commissions	453	381	307	834	566	
Trailer fees	1,444	1,465	1,360	2,909	2,462	
Commissions	24	19	47	43	100	
Net (profits) losses on investments	(1,166)	(178)	247	(1,344)	531	
Finance expense	1,092	1,026	834	2,118	2,098	
Total expenses	\$ 12,095	\$ 9,870	\$ 9,907	\$ 21,965	\$ 20,250	
Net (loss) income before income taxes	\$ (3,105)	\$ 42	\$ 1,719	\$ (3,063)	\$ 2,063	
Income taxes (recovery) expense	\$ (1,036)	\$ (24)	\$ 560	\$ (1,060)	\$ 820	
Net (loss) income for the period	(2,069)	66	1,159	(2,003)	1,243	
Net income (loss) to non-controlling interest	164	201	267	365	466	
Net (loss) income to controlling interest	\$ (2,233)	\$ (135)	\$ 892	\$ (2,368)	\$ 777	

For the quarter ended June 30, 2015 compared to the prior quarter:

Revenues

Total revenue was \$9.0 million for the quarter ended June 30, 2015, a decrease of \$0.9 million or 9% from the \$9.9 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 prior quarter. Sub-advisory fees for IA Clarington were prorated for the period between January 1, 2015 and February 13, 2015 for the prior quarter. 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 increased by \$2.2 million compared to the prior quarter due to:

- The restructuring costs of \$3.6 million, in relation to the announced consolidation of the Calgary office functions with the Toronto office that was expensed in the current quarter.
- Salaries and wages decreased by \$0.5 million due to severance payments made to employees in the first quarter of 2015 that did not reoccur in the second quarter.

- Total general and administrative expenses decreased by \$0.3 million. This was primarily due to the decrease of \$0.4 million in consulting fees as a result of the one-time fee paid in relation to the non-renewal of the IA Clarington sub-advisory relationship. This was partially offset by a \$0.2 million increase in expenses incurred during the quarter relating to the launch of several funds.
- Sub-advisory expense remained consistent quarter over quarter due to a largely unchanged 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 increased by \$0.3 million primarily as a result of a \$0.1 million recovery in the first quarter. 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.
- Share based compensation expense decreased quarter over quarter by \$0.1 million due to several forfeitures in the quarter as a result of employee terminations.
- Depreciation of property and equipment and amortization of intangible assets – finite life remained consistent quarter over quarter.
- Amortization of deferred sales commissions increased by \$0.1 million in the current quarter as a result of additions in the 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, in the second quarter of 2015, trailer fees decreased by \$21,000 from the prior quarter despite a slight increase in gross sales from \$96.0 million to \$163.0 million.
- The Company saw a net profit on investments for the quarter of \$1.2 million compared to the net profit of \$0.2 million in the prior quarter. This consisted of an unrealized gain on fair value of financial assets through profit or loss of \$0.2 million. In addition, a change in the fair value of the forward purchase contract liability resulted in an unrealized gain of \$1.0 million, which created a gain for the quarter.

Net loss before taxes for the quarter ended June 30, 2015 totaled \$3.1 million which was a \$3.1 million decrease from the prior quarter.

For the quarter ended June 30, 2015 compared to the same period in the prior year:

Revenues

Total revenue was \$9.0 million for the quarter ended June 30, 2015, a decrease of \$2.6 million or 23% from the \$11.6 million in the same quarter in the prior year 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 prior quarter. Sub-advisory fees for IA Clarington were prorated for the period between January 1, 2015 and February 13, 2015 for the prior quarter. 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 increased by \$2.2 million compared to the prior year due to:

- The restructuring costs of \$3.6 million, in relation to the announced consolidation of the Calgary office functions with the Toronto office that was expensed in the current quarter.
- Salaries and wages decreased by \$0.5 million due to lower bonus provisions than in the prior year.
- Total general and administrative expenses increased by \$0.5 million quarter over quarter. This was due to the increase of \$0.5 million in legal fees and other expenses in the quarter due to the reorganization of certain funds.
- Sub-advisory expense decreased by \$0.2 million due to lower 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. The closed end funds had redemptions in the latter half of 2014.
- During the quarter, product development expense increased by \$0.1 million primarily as a result of a \$0.1 million recovery in the first quarter. 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.
- Share based compensation expense decreased by \$0.3 million due to several forfeitures in the quarter as a result of various employee departures. In addition, the first tranche of the restricted trust units vested in the first quarter and had been fully expensed during the vesting period.
- Depreciation of property and equipment and amortization of intangible assets – finite life remained consistent quarter over quarter.
- Amortization of deferred sales commissions increased by \$0.1 million in the current quarter as a result of additions throughout the latter half of 2014 and the first six months of 2015.
- Finance expense increased by \$0.3 million in the current year as the same period in the prior year included an adjustment for an over accrual in the prior year.
- Commissions remained consistent with the prior year.
- 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 second quarter of 2015, trailer fees increased by \$0.1 million from the same period in the prior year, in correlation with a slight increase in gross sales from \$129.0 million to \$163.0 million and due to the purchase options selected by the investors.
- The Company saw a net profit on investments for the quarter of \$1.2 million compared to the net loss of \$0.2 million in the same period in the prior year. This consisted of an unrealized loss on fair value of financial assets through profit or loss of \$0.2 million, offset by a decrease in the fair value of the forward purchase contract liability of \$1.0 million, which created a gain for the quarter. The fair value of the forward purchase contract is directly impacted by the share price of AHF.

Net loss before taxes for the quarter ended June 30, 2015 totaled \$3.1 million which was a \$4.8 million decrease from the same period in the prior year.

For the six months ended June 30, 2015, compared to the same period in the prior year:

Revenues

Total revenue was \$18.9 million for the six months ended June 30, 2015, a decrease of \$3.4 million or 15% from the \$22.3 million in the same period 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 prior quarter. 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 increased by \$1.7 million for the six months ended June 30, 2015 compared to the same period in the prior year due to:

- The restructuring costs of \$3.6 million, in relation to the announced consolidation of the Calgary office functions with the Toronto office that was expensed in the current quarter.
- A decrease in salaries and wages for the Company of \$0.7 million, as the bonus provision for employees was lower during 2015 as a result of corporate initiatives.
- General and administrative expenses increased by \$1.2 million in the current period partially as a result of the compliance fee paid in relation to the non-renewal of the sub-advisory relationship with IA Clarington which resulted in a \$0.4 million non-recurring expense. Other increases were: \$0.3 million due to the cost of launching several funds in the first six months of the year; an increase in rent of \$0.2 million due to a lease agreement which began on April 1, 2014; and an increase in office expenses of \$0.2 million due to higher Bloomberg fees in the current year.
- Sub-advisory expense decreased by \$0.5 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.
- Year to date product development expense decreased by \$0.2 million primarily as a result of a \$0.1 million recovery in the first quarter of 2015. 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.
- Share based compensation expense decreased by \$0.4 million from the same period in the prior year due to the first tranche of the deferred equity plan vesting. In addition, forfeitures in the first half of 2015 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 fair values than the vested tranches, as a result of the lower share price in 2015.
- Depreciation of property and equipment and amortization of intangible assets – finite life decreased by \$0.2 million year to date compared to the prior year as the net book value is decreasing.
- Deferred sales commissions amortization increased by \$0.3 million year to date due to the higher opening deferred sales commission balance.
- Finance expense remained consistent compared to the same period in the prior year.
- Commissions remained relatively consistent compared to the same period in the prior year.

- 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 six months ended June 30, 2015 of \$1.3 million compared to the net loss of \$0.5 million in the same period in the prior year. The large fluctuation from the prior year was mainly a result of the change in fair value of the forward purchase contract which is directly correlated with the share price of AHF.
- The net loss before taxes for the six months ended June 30, 2015, totaled \$3.1 million, which was a \$5.1 million or 248% decrease from the same period in the prior year.

Brokerage Segment Disclosure

<i>Brokerage Segment</i>	Three months ended			Six months ended	
<i>(in thousands of Canadian dollars)</i>	June 30, 2015	March 31, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Revenues*	\$ 725	\$ 730	\$ 525	\$ 1,455	\$ 906
Expenses					
Salaries and wages	590	786	381	1,376	662
General and administrative	98	147	145	245	336
Net (profits) losses on investments	(182)	(147)	(136)	(329)	(136)
Total expenses	\$ 506	\$ 786	\$ 390	\$ 1,292	\$ 862
Net income (loss) before income taxes	\$ 219	\$ (56)	\$ 135	\$ 163	\$ 44
Income taxes expense (recovery)	\$ 61	\$ (16)	\$ -	\$ 45	\$ -
Net income (loss) for the period	\$ 158	\$ (40)	\$ 135	\$ 118	\$ 44
Net income (loss) to non-controlling interest	-	-	-	-	-
Net income (loss) to controlling interest	\$ 158	\$ (40)	\$ 135	\$ 118	\$ 44

For the quarter ended June 30, 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 decreased by \$0.2 million due to lower commissions paid in the quarter, as well as lower recruiting expense than in the previous quarter.
- General and administrative expenses remained consistent with the prior quarter.

Net income before taxes for the quarter ended June 30, 2015, increased by \$0.3 million primarily as a result of the decrease in salaries and wages of \$0.2 million.

For the quarter ended June 30, 2015 compared to the same period in the prior year:

Revenues

Total revenue from the brokerage segment relates to brokerage fees and increased by \$0.2 million from the same quarter in the prior year as a result of additional client portfolios.

Expenses

- Salaries and wages increased by \$0.2 million from the same period in the prior year. The increase was due to the acquisition of two brokers in the quarter which resulted in a \$0.2 million recruitment expense.
- General and administrative expenses remained consistent.
- Net profits on investments also increased by \$46,000.

Net income before taxes for the quarter ended June 30, 2015, increased by \$0.1 million primarily as a result of the increase in revenue.

For the six months ended June 30, 2015, compared to the prior year:

Revenues

- Total revenue increased by \$0.5 million or 61% for the six months ended June 30, 2015. The increase can mainly be attributed to the increase in average brokerage AUM from \$210.0 million in the prior year to \$420.0 million, which is a change of 100%. Although brokerage revenue is not directly driven by AUM, the movement in AUM signifies that assets from client portfolios have been transferred to AHS, therefore driving an overall increase in potential revenues.

Expenses

- Total salaries and wages increased by \$0.7 million due to the increase in brokers. A portion of the increase was due to the acquisition of two brokers in the prior quarter which resulted in a \$0.2 million recruitment fee. \$0.5 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 61% and the increase in salaries and wages, excluding the \$0.2 million in recruitment bonus, was 72%.
- Total general and administrative expenses decreased by \$0.1 million compared to the same period in the prior year as a result of a broker warrant expense in the prior year.

Net loss before taxes for the six months ended June 30, 2015, was \$0.2 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)	June 30, 2015	December 31, 2014
Working capital	9,798	12,031
Total assets	92,185	97,884
Long term debt (convertible debentures)	38,978	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. AHS 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 June 30, 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 (June 30, 2014 - \$0.1 million). 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 six month period ended June 30, 2015, the Company paid \$1.7 million of cash dividends compared to \$2.7 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. The convertible debenture will mature on July 31, 2016 and as of July 31, 2015 will be classified as a current liability. Management has begun to assess various options with regard to refinancing the convertible debenture.

Aston Hill paid deferred sales commissions of \$0.6 million in the six month period ended June 30, 2015, compared to \$1.4 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 certain funds.

Aston Hill has mitigated liquidity risk by renewing the \$6.0 million revolving line of credit as of July 29, 2013. As at June 30, 2015, the Company has \$6.0 million of the revolving line of credit available. Subsequent to June 30, 2015, the revolving line of credit was extended to April 27, 2016 with no material changes to the terms.

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

Commitments

(in thousands of Canadian dollars)							
As at June 30, 2015							
	Total	2015	2016	2017	2018	2019	Thereafter
Financial liabilities:							
Trade and other payables	\$ 3,321	\$ 3,101	\$ 220	\$ -	\$ -	\$ -	\$ -
Convertible debentures							
-principal	40,164	-	40,164	-	-	-	-
-interest	3,615	1,205	2,410	-	-	-	-
Operating leases	4,381	931	809	576	578	542	945
Forward purchase contract	2,808	-	2,472	-	336	-	-
	\$ 54,289	\$ 5,237	\$ 46,075	\$ 576	\$ 914	\$ 542	\$ 945

Summary Balance Sheet Data

(in thousands of Canadian dollars)			
		June 30, 2015	December 31, 2014
Current assets	\$	15,230	\$ 20,077
Non current assets		76,955	77,807
Total Assets	\$	92,185	\$ 97,884
Current liabilities	\$	5,432	\$ 8,035
Non current liabilities		54,291	53,724
Total Liabilities	\$	59,723	\$ 61,759
Non-controlling interest		232	233
Shareholders' equity		32,230	35,892
Total Liabilities & Shareholders' Equity	\$	92,185	\$ 97,884

The balance sheet for Aston Hill at June 30, 2015, reflects total assets of \$92.2 million, a decrease of \$5.7 million from December 31, 2014. The decrease can mainly be attributed to the decrease in cash of \$5.7 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 \$1.9 million in marketable securities during the first two quarters 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 \$0.4 million.

Total liabilities decreased by \$2.0 million to \$59.7 million, at June 30, 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 a current and deferred tax recovery of \$1.0 million in the first half 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 \$1.2 million also contributed to the decrease in total liabilities. This was netted against the increase in provisions resulting from the \$3.6 million restructuring costs incurred in the second quarter of 2015.

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. Subsequent to June 30, 2015, the revolving line of credit was extended to April 27, 2016 with no material changes to the terms.

Aston Hill's annualized debt-to-EBITDA ratio excluding convertible debentures as at June 30, 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 not fall below \$0.75 billion and AUA (Assets Under Administration) not fall below \$2.25 billion.

Shareholders' equity decreased by \$3.7 million during the six month period ended June 30, 2015, mainly as a result of cash and non-cash dividends paid of \$1.8 million and a net loss of \$2.3 million, netted against the \$0.4 million in share based compensation expensed.

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 June 30, 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 June 30, 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 June 30, 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 under management are considered to be related parties to the Company's subsidiaries who manage them. As such, the managers of the funds receive management fees and pay for expenses incurred by its 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 June 30, 2015 consist of \$3.0 million (December 31, 2014 - \$3.6 million) in management fees, and other amounts due from funds under management. Trade and other payables as at June 30, 2015 includes \$0.3 million (December 31, 2014 - \$0.3 million) in amounts due to funds under management.

For the three and six months ended June 30, 2015, \$8.0 million (June 30, 2014 - \$8.7 million) and \$17.5 million (June 30, 2014 - \$16.0 million) was recorded as revenue in respect of these management and other fees. In addition, for the three and six months ended June 30, 2015, the Company absorbed \$0.2 million (June 30, 2014 - \$0.1 million) and \$0.1 million (June 30, 2014 - \$0.3 million), respectively, of expenses incurred by funds under management.

b) As of May 21, 2014, Argent is 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 three and six months ended June 30, 2015, \$nil of the total administrative revenue (June 30, 2014 - \$0.2 million and \$0.7 million, respectively), was considered to be related party. \$nil for the three and six months ended June 30, 2015 (June 30, 2014 - \$0.1 million and \$0.3 million, respectively) in salary & overhead recoveries for shared overhead costs that have been reimbursed by Argent was considered to be related party.

As at June 30, 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 \$784,000 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 three and six months ended June 30, 2015, \$nil (June 30, 2014 - loss of \$15,000 and a gain of \$24,000) was recorded as related party revenue.

As at June 30, 2015, \$nil (December 31, 2014 - \$nil) of the short term 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 AHFCP, a subsidiary of the Company. RJT is paid a consulting fee for management services performed for AHFCP.

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 June 30, 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 June 30, 2015, \$0.2 million (December 31, 2014 - \$0.1 million) of trade and other payables related to the consulting fee payable to RJT. Total three and six month consulting fees incurred to date as of June 30, 2015 was \$0.4 million (June 30, 2014 - \$0.3 million) and \$0.9 million (June 30, 2014 - \$0.6 million), respectively.

d) As at June 30, 2015, \$3.0 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 three and six months ended June 30, 2015, \$0.1 million (June 30, 2015 - \$0.2 million of net gains) and \$0.1 million (June 30, 2014 - \$0.2 million of net gains) of the net loss 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.

Subsequent Events

Aston Hill announced changes to Senior Management on July 20, 2015 with the appointment of Peter Anderson as the Interim Chief Executive Officer ("CEO") of the Company effective August 1, 2015. The resignation of Aston Hill's founder and CEO, Eric Tremblay, in order to pursue personal endeavors, effective August 31, 2015 was also announced. He will also be resigning as a Chairman of the Board of Directors but will remain as a director on the board. Larry Titley, the Chief Financial Officer has resigned effective July 31, 2015 with Derek Slemko, Senior Vice President of Finance and Business Development being appointed as the Interim Chief Financial Officer while the Company pursues a permanent Toronto-based candidate.

The Company engaged an agent to sub-lease the Calgary office space on July 22, 2015.

Subsequent to June 30, 2015, the revolving line of credit was extended to April 27, 2016 with no material changes to the terms.

Significant Accounting Policies & Estimates

The unaudited interim condensed consolidated Financial Statements for the period ended June 30, 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 December 31, 2014, 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. Due to the announced consolidation of the Calgary office functions with the Toronto office, the Company assessed each CGU for indicators of impairment and concluded that an impairment test was required, which resulted in no impairment in the period.

All investments held at fair value through profit or loss, except for the Company's investment in Argent, 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 restructuring costs are considered to be a significant new estimate due to the estimates used to calculate the provision for the onerous lease and termination and related post-employment benefits. The provision is subject to change at each reporting period. The Company has determined three classes of restructuring costs as of June 30, 2015 which have varying factors subject to change. The onerous lease provision has been calculated using lease payments, net of estimated sublet recoveries, discounted over the remaining 7 year lease term. The net lease payments are based on external market evidence reflecting current sublease rates for long term contracts and will be assessed at each reporting period. These reflect the Company's best estimate, based on the current market for commercial real estate in Calgary, given the current economic conditions. The discount rate was 1.40% based on the Bank of Canada seven year bond yield. If the estimates used, such as the timing of the sublease, the sublease rate or the interest rate should change, the restructuring costs associated with the lease provision would be impacted. The termination and related post-employment benefits were communicated to the parties involved before June 30, 2015 and certain benefits have been discounted over a two year period consistent with the timing of those payments. The discount rate was 0.60% based on the Bank of Canada two year bond yield. Included in the termination and related post-employment benefits was the option to exercise stock options and restricted stock options that will vest by July 31, 2016. The Company has calculated the fair value of this termination and related post-employment benefit using the Black-Scholes option pricing model. The legal fees and other are an accrual of direct costs associated with the restructuring and are not subject to discounting. The restructuring costs do not include a provision for the current interim CFO, as no timeline and termination and related post-employment benefit has been determined.

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 all termination benefits in accordance with the changes in note 22 of the Condensed Interim Consolidated Financial Statements for the three and six months ended June 30, 2015.

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 will have on its financial statements.

Financial Instruments

As of June 30, 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 June 30, 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.

The Company recorded a \$0.2 million deferred recruitment bonus as part of an offer of employment for two brokers on February 6, 2015. This deferred recruitment bonus is payable on March 1, 2016 and is amortized over the twelve month period. Due to the short term nature of the deferred recruitment bonus, the fair value is approximated to be its carrying value. The liability is included in the trade and other payables balance.

Restricted trust units receivable are fair valued at each reporting period by using the fair value models calculated by Aston Hill. As at June 30, 2015 the restricted trust units receivable were fair valued to be \$18,000 (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, 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 June 30, 2015, the Company's investments at fair value through profit or loss totaled \$3.0 million (December 31, 2014 - \$2.0 million). During the six month period ended June 30, 2015, the Company recorded a net unrealized loss on its marketable securities of \$0.1 million compared to the \$0.6 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 includes the fair value of the Company's investment in Journey Energy Inc. (formerly Sword Energy Inc.) that was sold on June 19, 2014 and 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 of 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 August 4, 2015	Common Shares Underlying Convertible Securities
Common shares ⁽¹⁾	Unlimited	89,534,789	Not applicable
Stock options	Not applicable	6,583,175	6,583,175
Convertible debentures (face value) 6.00% maturing 2016	Not applicable	\$ 40,162,000	15,749,804

⁽¹⁾ The common shares are presented net of 96,860 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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