TWC ENTERPRISES LIMITED

Annual Information Form

For the Year Ended December 31, 2015

March 30, 2016

TWC Enterprises Limited
Annual Information Form

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INTRODUCTION

This Annual Information Form incorporates by reference sections of the audited consolidated financial statements of TWC Enterprises Limited ("TWC" or the "Company") for the years ended December 31, 2015 and 2014 (the "Financial Statements") contained in the Annual Report prepared in respect of the year ended December 31, 2015 (the "Annual Report"). A complete copy of the Annual Report is available on the Company's website, at *www.twcenterprises.ca* or through the SEDAR website maintained by the Canadian securities regulatory authorities at www.sedar.com.

In this annual information form, amounts are stated in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

This annual information form contains certain forward-looking information and statements relating but not limited to, operations, anticipated or prospective financial performance, results of operations, business prospects and strategies of TWC. Forward-looking information typically contains statements with words such as "consider", "anticipate", "believe", "expect", "plan", "intend", "may", "likely", or similar words suggesting future outcomes or statements regarding an outlook, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Readers should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements of TWC to differ materially from those suggested by the forward-looking statements, some of which may be beyond the control of management.

Although TWC believes it has a reasonable basis for making the forecasts or projections included in this annual information form, readers are cautioned not to place undue reliance on such forward-looking information. By its nature, TWC's forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific that contributes to the possibility that the predictions, forecasts and other forward-looking statements will not occur. These factors include, but are not limited to availability of credit, weather conditions, the economic environment, environmental regulation and competition.

The above list of important factors affecting forward-looking information is not exhaustive, and reference should be made to the other risks discussed in TWC's filings with Canadian securities regulatory authorities. TWC undertakes no obligation, except as required by law, to update publicly or otherwise any forward-looking information, whether as a result of new information, future events or otherwise, or the above list of factors affecting this information.

ITEM 1 CORPORATE STRUCTURE

1.1 Name, Address and Incorporation

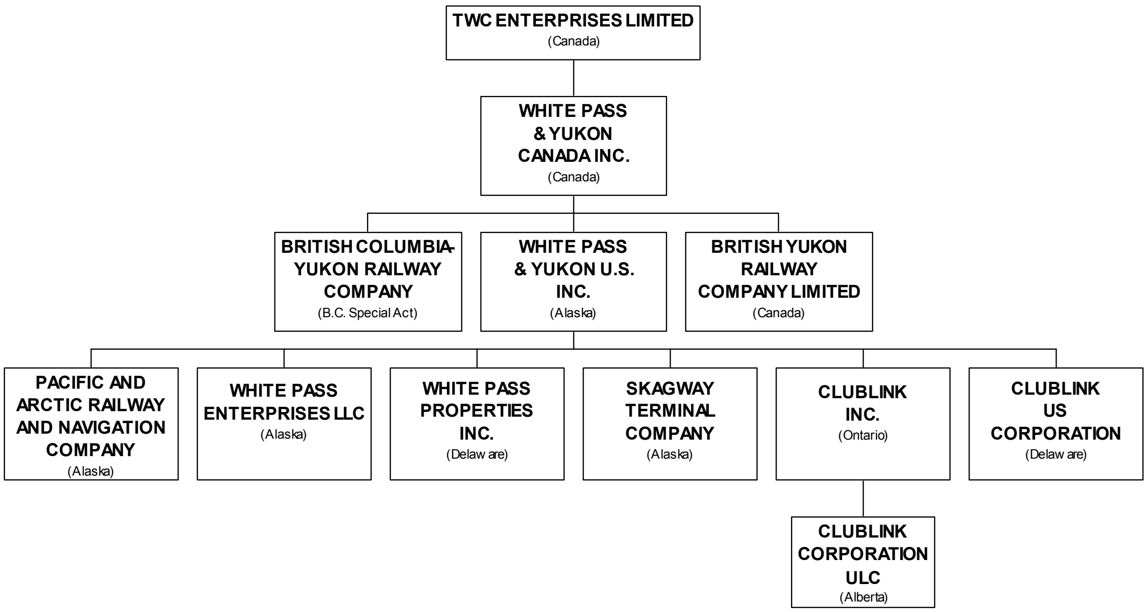
The Company was incorporated on October 22, 1997 under the *Canada Business Corporations Act* as a wholly owned subsidiary of Russel Metals Inc. under the name Century Continental Transportation Corporation. The Company's articles were amended on November 18, 1997 to change its name to Tri-White Corporation. In August 2003, the Company announced the completion of the consolidation of its issued and outstanding common shares on the basis of two pre-consolidation shares for one post-consolidation share. The Company's articles were amended on July 22, 2010 to change its name to TWC Enterprises Limited. On May 15, 2014, shareholders approved the Company's name change from ClubLink Enterprises Limited to TWC Enterprises Limited. The Company's articles were amended on June 25, 2014 to change its name to TWC Enterprises Limited. The address of the registered office of the Company is 55 City Centre Drive, Suite 1000, Mississauga, Ontario, L5B 1M3. The Company's executive offices are located at 15675 Dufferin Street, King City, Ontario L7B 1K5.

The common shares of TWC are listed for trading on the Toronto Stock Exchange under the symbol "TWC".

ITEM 1 CORPORATE STRUCTURE (CONT'D)

1.2 Intercorporate Relationships

The following chart illustrates the inter-corporate relationships of TWC and its subsidiaries. TWC directly or indirectly owns all of the voting securities of the subsidiaries listed below. The jurisdiction in brackets following the corporate name is the jurisdiction of incorporation, continuance or organization.



ITEM 2 GENERAL DEVELOPMENT OF THE BUSINESS

2.1 Three Year History

General

In recent years, TWC has been focusing on acquisitions in the Florida marketplace to grow this segment of the business.

ITEM 2 GENERAL DEVELOPMENT OF THE BUSINESS (CONT'D)

2.1 Three Year History (cont'd)

General (cont'd)

The first acquisition involved a portfolio of six 18-hole equivalent championship and two 18-hole equivalent academy golf courses in Sun City Center, Florida. The second investment was the purchase of Heron Bay Golf Club, an 18-hole championship golf club in the Fort Lauderdale area. On April 21, 2011, TWC acquired Woodlands Country Club, a 36-hole championship golf club near Fort Lauderdale and on November 18, 2011 acquired Palm-Aire Country Club, a 54-hole championship golf club in Pompano Beach, Florida. These investments created TWC's first region outside Ontario and Quebec which was recently supplemented by the acquisition of TPC Eagle Trace in Coral Springs, Florida announced on December 31, 2013. TWC continues to pursue opportunities in Florida to supplement its existing operations of 12 18-hole equivalent championship golf courses.

TWC continues to pursue opportunities in Ontario and Quebec to supplement its existing operations of 42.5 18-hole equivalent championship golf courses.

TWC has continued to invest in programs to build the core operating business at White Pass & Yukon Route ("White Pass"). As a standalone entity, White Pass has an experienced on-site management team and has been able to generate growth in the passenger traffic and corresponding US dollar revenue since its acquisition in 1997. Significant initiatives in this business segment have included capitalizing on historical relationships with the cruise lines, supporting investments to create one of the leading port facilities in southeast Alaska, including a floating dock to facilitate the Solstice class cruise ships and an investment to repower our locomotive fleet to reduce both environmental emissions and ongoing operating costs. These initiatives have affirmed White Pass is Alaska's premier shore excursion for the travelling public.

TWC operates in two distinct business segments: (a) golf club operations and (b) rail and port operations. The corporate operations segment oversees the two business segments.

Golf Club Operations

TWC is engaged in golf club operations under the trademark, "ClubLink One Membership More Golf." TWC is Canada's largest owner and operator of golf clubs with 54 ½ 18-hole equivalent championship and 3.5 18-hole equivalent academy courses at 42 locations, in two separate geographical Regions: (a) Ontario/Quebec and (b) Florida.

TWC's golf clubs are strategically organized in clusters that are located in densely populated metropolitan areas and resort destinations frequented by those who live and work in these areas. By operating in these areas, TWC is able to offer golfers a wide variety of unique membership, corporate event and resort opportunities. TWC is also able to obtain the benefit of operating synergies to maximize revenue and achieve economies of scale to reduce costs.

TWC's Ontario/Quebec Region is organized into two clusters: the major metropolitan areas of Southern Ontario and Muskoka, Ontario's premier resort area, extending from London to Huntsville to Pickering, with a particularly strong presence in the Greater Toronto Area; and Quebec/Eastern Ontario, extending from the National Capital Region to Montreal, including Mont-Tremblant, Quebec's premier resort area.

ITEM 2 GENERAL DEVELOPMENT OF THE BUSINESS (CONT'D)

Golf Club Operations (cont'd)

The Florida Region includes twelve 18-hole equivalent championship and two 18-hole equivalent academy golf courses.

In recent years, growth has been driven, in part, by: (a) the acquisition of operating golf course properties (b) long-term lease arrangements, and (c) the addition of new product through the conversion of daily fee golf clubs into member or hybrid golf clubs. Hybrid golf clubs are available for daily fee (public) play and reciprocal access by members and provide a home club for members with reciprocal access to the TWC system. This growth is highlighted in the following chart which lists the type of golf courses that TWC has operated since 2011:

Canada

	Daily Fee Golf Course [(a)]	Hybrid Golf Courses [(a)]	Member Golf Courses [(a)]	Total[(a)]
2013	2.0	5.0	34.5	41.5
2014	2.0	7.0	34.5	43.5
2015	2.0	7.0	33.5	42.5
2016	2.0	7.0	33.5	42.5

United States

	Daily Fee Golf Course [(a)]	Hybrid Golf Courses [(a)]	Member Golf Courses [(a)]	Total[(a)]
2013	3.0	5.5	2.5	11.0
2014	3.0	5.5	3.5	12.0
2015	3.0	7.0	2.0	12.0
2016	3.0	7.0	2.0	12.0

(a) 18-hole equivalent championship golf courses operated during the year, excluding academy courses.

In addition, TWC owns or controls development sites that would permit construction of another four 18-hole championship golf courses, three of which are adjacent to its existing golf clubs.

Rail and Port Operations

TWC is also engaged in rail and port operations based in Skagway, Alaska which operate under the trade name "White Pass & Yukon Route" ("White Pass"). This includes a tourist railway stretching approximately 110 kilometres (67.5 miles) from Skagway, Alaska to Carcross, Yukon. In addition, White Pass operates three docks, primarily for cruise ships.

The railway was constructed by White Pass during the Klondike Gold Rush of 1898/1899 and completed in 1900. From 1900 until 1982, it was used for the carriage of general freight, ore concentrates, petroleum products and passengers. Railway operations were suspended in 1982 when a major ore concentrate customer shut down its mine. The South Klondike Highway between Whitehorse and Skagway, subsequently constructed in 1985, transferred the transportation of ore concentrates from rail to road service. The railway reopened in 1988 and has since been operating as a seasonal passenger tourism railway. TWC acquired White Pass in 1997.

ITEM 2 GENERAL DEVELOPMENT OF THE BUSINESS (CONT'D)

Rail and Port Operations (cont'd)

White Pass operates three docks in Skagway, which support the tourist railway and provides four berths for cruise ships operating west coast schedules throughout the May to September tourist season. The largest of the three docks, with two berths, is owned while the two remaining docks are situated on state and city property and operate under long-term tideland leases.

The primary market is the cruise industry, which recognizes Skagway as a marquee port for its Alaskan cruises. White Pass maintains a symbiotic relationship with the cruise lines – carrying almost half of all cruise passengers – making it Alaska's premier shore excursion and a high volume, highly rated and profitable shore excursion for the cruise lines. The relationship is supported with an existing incentive program and extensive cooperative pre-cruise and on-board promotion. White Pass also markets to motor coach tour companies and independent travelers who arrive via ferry and the South Klondike Highway.

Corporate Operations

TWC's objective at the corporate level is to identify opportunities to generate incremental returns and cash flow. Historically, the nature of these investments included debt and equity instruments in both public and private organizations. Currently, management is focused on improving the returns of both business segments.

2.1 Three Year History

2013

During the first quarter of 2013, the Company divested the Lake Chesdin Golf Club, located near Richmond, Virginia.

The Palms golf course at Palm Aire was closed for the summer of 2013 to allow for improvements to the greens. These improvements were completed prior to the 2013/14 operating season.

In late 2013, TWC starting operating from a new Florida regional office located at Palm Aire Country Club in Pompano Beach, near Fort Lauderdale. This office replicates TWC's successful Canadian model, centralizing a call centre, accounting, member services, marketing, membership sales and administration.

On December 31, 2013 TWC announced the acquisition of TPC Eagle Trace in Coral Springs, Florida for US $3,400,000. Opened in 1983 as the first member club in the PGA TOUR's Tournament Players Club network, TPC Eagle Trace is an Arthur Hills design Home to the PGA Tour's Honda Classic for nine years. TPC Eagle Trace is the centrepiece of a luxury gated community of approximately 900 homes.

Glen Abbey Golf Club in Oakville hosted the 2013 RBC Canadian Open from July 22nd through July 28th, 2013. The winner was Brandt Snedeker.

ITEM 2 GENERAL DEVELOPMENT OF THE BUSINESS (CONT'D)

2014

On February 7, 2014, TWC announced the acquisition of Hidden Lake Golf Club in Burlington, Ontario for consideration in the amount of $15,726,000. Hidden Lake is a 36-hole facility and TWC plans to continue to operate this property as a daily-fee facility with local membership programs.

At the shareholder meeting held on May 15, 2014, the shareholders approved changing the name of our public company to TWC Enterprises Limited, as our future investments may not be limited to the golf industry.

Golf Canada announced on May 15, 2014 that Glen Abbey Golf Club in Oakville, Ontario had been selected for the 27th time as host venue for the 2015 RBC Canadian Open. This successful event was held from July 20-26, 2015.

On November 3, 2014, ClubLink announced that Highland Gate Golf Club in Aurora, Ontario had been permanently closed. On December 16, 2014, ClubLink sold one-half of Highland Gate to a local developer in exchange for $3,750,000 and one-half of all future revenue and expenses of the property.

2015

Golf Canada announced on June 1, 2015 that Glen Abbey Golf Club had been selected for the 28th time as host venue for the 2016 RBC Canadian Open. This event is scheduled to take place from July 18-24, 2016.

2.2 Significant Acquisitions

None noted other than acquisitions previously described.

ITEM 3 DESCRIPTION OF THE BUSINESS

TWC operates in two distinct operating business segments: (a) golf club operations and (b) rail and port operations. In addition there is a corporate operations segment which manages the operations of the two business segments.

GOLF CLUB OPERATIONS

1. Summary of Operations

TWC's golf clubs are strategically organized in clusters that are located in densely populated metropolitan areas and resort destinations frequented by those who live and work in these areas. By operating in Regions, TWC is able to offer golfers in their region a wide variety of unique membership, daily fee, corporate event and resort opportunities. TWC is also able to obtain the benefit of operating synergies to maximize revenue and achieve economies of scale to reduce costs.

Revenue at all golf club properties is enhanced by cross-marketing, as the demographics of target markets for each are substantially similar. Revenue is further improved by TravelLink, corporate golf events, business meetings and social events that utilize golf capacity and related facilities at times that are not in high demand by TWC's members.

Member and Hybrid Golf Club revenue is maximized by the sale of flexible personal and corporate memberships that offer reciprocal playing privileges at TWC golf clubs and, on payment of an additional fee, inter-regional play within TWC through the TravelLink program and ClubCorp Holdings Inc. golf clubs. Daily fee golf club revenue is maximized through unique and innovative marketing programs.

The TravelLink program offers two levels that allow ClubLink members inter-regional access. The first level (Basic TravelLink), a free membership benefit, provides ClubLink members inter-regional access with preferred green fee pricing. Level 2 (TravelLink 2nd Home Club) is optional and provides ClubLink members with the ability to elect a second Home Club in another region for an annual fee, and allows members to receive all the benefits of a Home Club Member (access to prime tee times, practice facilities, member events).

ClubLink also has annual membership programs, which are unique to each Region. These product offerings include Players Card and Players Club in the Ontario/Quebec Region; as well as ClubLink Card Holder in the Florida Region. While traditional full privilege golf members have been declining, ClubLink has been focusing on these supplemental categories to replace annual dues revenue.

Golf club operating costs include substantial fixed costs and, accordingly, once break-even revenue has been achieved, a substantial portion of incremental revenue less cost of goods sold flows directly to net operating income. The golf club operations are managed by a centralized administrative system. All administrative, accounting, information systems, marketing, finance, human resource and payroll functions are performed at the corporate office, located in Ontario adjacent to King Valley Golf Club, along with the Florida Regional office adjacent to Palm Aire Golf Club. The Company's size and centralized administration provides cost advantages in purchasing supplies and services and permits a golf club to be operated with fewer employees resulting in TWC's golf clubs having lower operating costs than a golf club managed by a single golf club owner. This also allows employees at the golf course property to focus on providing optimal member and guest experiences.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

GOLF CLUB OPERATIONS (CONT'D)

(a) Golf Club Operations – Ontario/Quebec Region

TWC's Ontario/Quebec Region is organized into two clusters: the major metropolitan areas of southern Ontario and Muskoka, Ontario's premier resort area, extending from London to Huntsville to Pickering, with a particularly strong presence in the Greater Toronto Area; and Quebec/Eastern Ontario, extending from the National Capital Region to Montreal, including Mont-Tremblant, Quebec's premier resort area.

In addition, TWC owns or controls development sites that would permit construction of another four 18-hole equivalent championship golf courses, which are all adjacent to its existing golf clubs.

In 2016, TWC will operate 27 Ontario/Quebec Region Member Golf Clubs in three categories as follows:

Prestige:	Greystone, King Valley, RattleSnake Point
Platinum:	Blue Springs, DiamondBack, Eagle Creek, Emerald Hills, Fontainebleau, Glencairn, Grandview, Heron Point, Islesmere, Kanata, King's Riding, Lake Joseph, Le Maitre, Rocky Crest, Wyndance
Gold:	Caledon Woods, Country Club, Eagle Ridge, Glendale, Greenhills, GreyHawk, Hautes Plaines, National Pines, Station Creek

In 2016, TWC will operate six Ontario/Quebec Region Hybrid Golf Clubs in three categories as follows:

Hybrid – Prestige:	Glen Abbey
Hybrid – Gold:	Cherry Downs, The Club at Bond Head, Val des Lacs
Hybrid – Silver:	Bethesda Grange, Hidden Lake,

Hybrid Golf Clubs are available for daily fee (public) play, reciprocal access by Members and provide a home club for Members with reciprocal access to the TWC system.

In 2016, TWC will operate two Ontario/Quebec Region Daily Fee Golf Clubs as follows:

Daily Fee:	Grandview Inn, Rolling Hills

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

GOLF CLUB OPERATIONS (CONT'D)

1. Summary of Operations (cont'd)

(a) Golf club operations – Ontario/Quebec Region (cont'd)

The Golf Clubs in Muskoka/Southern Ontario currently operated by the Company and the year in which they commenced operations are set out below.

Member Golf Clubs

Acquisitions

Emerald Hills Golf Club (1993)
Heron Point Golf Links (1993)
King Valley Golf Club (1994)
Greystone Golf Club (1994)
DiamondBack Golf Club (1997)
Greenhills Golf Club (2000 – land lease expiry after 2025 golf season)
The Country Club (2006 – land lease expiry after 2026 golf season)
Glendale Golf and Country Club (2010)

Developed

The Lake Joseph Club (1997)
RattleSnake Point Golf Club (1999)
Rocky Crest Golf Club (2000)
Grandview Golf Club (2001)
Glencairn Golf Club (2004)
Wyndance Golf Club (2007)

Daily Fee Conversions

Blue Springs Golf Club (1999 – originally purchased in 1998)
King's Riding Golf Club (2000 – formerly Aurora West purchased in 1997)
Station Creek Golf Club (2002 – formerly Gormley Green Golf Club purchased in 1998)
Eagle Ridge Golf Club (2003 – formerly Georgetown Golf Club purchased in 1998)
Caledon Woods Golf Club (2003 – formerly Bolton Golf Club purchased in 1998)
National Pines Golf Club (2005 – originally leased in 2004 – land lease expiry after 2024 golf season)

Daily Fee Golf Clubs

Acquisitions

Rolling Hills Golf Club (1998)
Inn Course at Grandview (1998)

Hybrid Golf Clubs

Cherry Downs Golf Club (acquired in 1993)

Glen Abbey Golf Club (acquired in 1999)

The Club at Bond Head (daily fee conversion in 2010 – originally leased in 2009 – land lease expiry after 2030 golf season)

Bethesda Grange (daily fee conversion in 2010 – formerly Rolling Hills Championship course purchased in 1998)

Hidden Lake Golf Club (2014)

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

GOLF CLUB OPERATIONS (CONT'D)

1. Summary of Operations (cont'd)

(a) Golf club operations - Ontario/Quebec Region (cont'd)

The Golf Clubs in Quebec/Eastern Ontario currently operated by the Company and the year in which they commenced operations are set out below:

Acquisition
Kanata Golf & Country Club (1997)
Club de Golf Val des Lacs (1999 - formerly Cedarbrook)
Eagle Creek Golf Club (2007)
Club de Golf Islesmere (2007)

Developed
Le Maitre de Mont-Tremblant (2001)
Predator at GreyHawk (2002)
Club de Golf Le Fontainebleau (2003)

Daily Fee Conversions
Club de Golf Hautes Plaines (2003 - formerly Le Dome purchased in 1998)
Talon at GreyHawk (2004 - formerly a Daily Fee golf course purchased in 1997)

The operating resorts owned by the Company and the year in which they commenced operations are set forth below:

Resorts

The Lake Joseph Club (1997 – constructed)
Sherwood Inn (1998 – acquired)
Rocky Crest Resort (1998 – acquired)
Grandview Inn (1998 – acquired – 2012 closed)

In 2016, TWC will operate The Lake Joseph Club, Rocky Crest Resort and Sherwood Inn.

The Lake Joseph Club and Rocky Crest Resort operate seasonally from May to October, while Sherwood Inn is available during the off-season for group bookings. Grandview Resort closed in February 2012.

Resort revenue is maximized by the integration of high quality golf facilities, which is recognized throughout the leisure industry as a key amenity for successfully attracting corporate groups, and leisure business.

TWC's remaining Muskoka land holdings, excluding golf course development sites, include zoned and serviced land that are capable of supporting a substantial number of resort rooms/villas, conference facilities and residential homes.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

GOLF CLUB OPERATIONS (CONT'D)

1. Summary of Operations (cont'd)

(b) Golf club operations - Florida Region

TWC's Florida Region includes twelve 18-hole equivalent championship and two 18-hole equivalent academy golf courses.

In 2016, TWC is operating nine Florida Region Golf Clubs as follows:

Prestige:	TPC Eagle Trace
Hybrid - Platinum:	Club Renaissance, Heron Bay
Gold:	Scepter
Hybrid - Gold:	Woodlands
Hybrid - Silver:	Falcon Watch, Sandpiper
Daily Fee:	Palm-Aire (Cypress/Oaks), Palm-Aire (Palms)

The Golf Clubs in Florida currently operated by the Company and the year in which they commenced operations are set out below:

Member Golf Clubs – by Acquisition
Falcon Watch Golf Club (2010)
Scepter Golf Club (2010)
TPC Eagle Trace (2013)

Hybrid Golf Clubs – by Acquisition
Heron Bay Golf Club (2010)
Club Renaissance (2010)
Sandpiper Golf Club (2011 – formerly a Member golf course purchased in 2010)
Woodlands Country Club (2011)

Daily Fee Golf Clubs – by Acquisition
Palm-Aire Country Club (Cypress/Oaks) (2011)
Palm-Aire Country Club (Palms) (2011)

2. Operating Revenue Analysis

Canadian Golf club operating revenue for the years ended December 31, 2015 and 2014 is recorded as follows:

(thousands of dollars)	2015	2014	% Change
Annual dues	**$ 52,209**	$ 53,149	-1.8%
Corporate events, guest fees and cart rentals	**32,980**	30,617	7.7%
Food and beverage	**41,350**	38,701	6.8%
Merchandise, rooms and other	**13,081**	11,711	11.7%
	$ 139,620	$ 134,178	4.1%

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

GOLF CLUB OPERATIONS (CONT'D)

2. Operating Revenue Analysis (cont'd)

US Golf club operating revenue for the years ended December 31, 2015 and 2014 is recorded as follows:

(thousands of dollars)	2015	2014	% Change
Annual dues	**$ 6,614**	$ 7,346	-10.0%
Corporate events, guest fees and cart rentals	**9,688**	9,119	6.2%
Food and beverage	**3,275**	3,087	6.1%
Merchandise and other	**923**	1,045	-11.7%
Subtotal (US dollars)	**20,500**	20,597	-0.5%
Exchange	**5,624**	2,222	N/A
Total (Cdn dollars)	**$ 26,124**	$ 22,819	14.5%

(i) Yield Management of Operating Revenue

TWC schedules corporate and charitable events at its golf clubs to generate revenue during non-peak times. TWC's multiple golf clubs allow an event to change its venue each year while minimizing event day preparations through continuity of event host. TWC is able to offer corporate events at its golf courses because normal play can be accommodated at another nearby TWC golf course. As a result of its efforts to manage playing patterns, TWC is generally able to offer less congested golf courses and faster playing times. The number of rounds that can be played on a golf course is TWC's primary saleable inventory. TWC looks to optimize the number of rounds played and revenue generated per round at each golf club by considering member and daily fee golf club playing patterns. TWC creates marketing programs to generate rounds during non-peak playing times at our hybrid and daily fee golf clubs.

Upon establishing the Florida Region, TWC introduced its TravelLink program which offers three levels that allow TWC members inter-regional access. The first level provides all TWC members inter-regional access with preferred pricing. Levels 2 and 3 are optional and provide TWC members greater inter-regional access for fixed annual fees.

(ii) Non-Golf Operations at the Golf Clubs

TWC actively solicits non-golf functions such as weddings, bat/bar mitzvahs, Christmas parties, meetings and other functions to increase utilization of its clubhouse facilities.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

GOLF CLUB OPERATIONS (CONT'D)

2. Operating Revenue Analysis (cont'd)

(iii) Complementary Business Opportunities

TWC's brand name recognition in Ontario, Quebec and Florida has facilitated a number of cross-promotional programs with corporations that have similar target consumers. These programs have contributed to increased exposure of TWC golf clubs and resorts. Many of TWC's members are owners and senior managers of companies. These members use TWC's golf clubs and resorts for relationship management, team building, management seminars and other business needs.

TWC is constantly reviewing opportunities to generate ancillary revenue, such as corporate event sponsorship, renting advertising space on tournament scoreboards and at other discrete locations at its golf clubs and resorts and in its member communications.

(iv) Membership Sales

TWC has advertised in Ontario and Quebec and believes that it has created strong brand recognition in these golfing communities. The marketing program highlights the value of the Company's innovative and flexible membership plan, pricing structure and reciprocal play privileges granted to TWC members. The Company's membership sales program is executed by professional sales personnel whose compensation is largely commission-based. Proactive membership sales efforts are targeted at a broad range of potential members, particularly corporations and their employees.

The membership fee structure is different for each member golf club and is determined by a number of factors, including location, market demand, number of members, quality of the golf course and related facilities. Each member has defined regional and inter-regional playing privileges, subject to availability, at all other TWC golf clubs.

TWC markets memberships to both individuals and corporations. A corporate membership allows the corporation to designate an individual, usually a senior employee, who is entitled to membership benefits on a season-by-season basis. Corporations and families with multiple memberships benefit from TWC's tiered membership fee structure. Few traditional private clubs offer transferable corporate memberships and TWC believes that it fulfils a market need for this kind of membership. Having a significant corporate membership provides TWC with the opportunity to promote ancillary revenue generating concepts, including corporate golf camps, logoed merchandise sales and corporate events.

To enhance its appeal to existing and prospective members, the Company upgrades acquired facilities and provides new value added services to its members, such as access to ClubCorp's golf clubs around the world and TWC's LinkLine reservation system. A single phone call to the LinkLine reservation system allows a member to reserve a tee-time at any TWC golf club. This system provides members with greater accessibility to available tee times. Starting in 2012, TWC now accepts on-line tee time bookings. This allows members to book tee times at their convenience.

TWC's resort properties provide corporate groups and leisure guests with access to TWC's cluster of resort golf clubs in the Muskoka market, north of Toronto.

Resort revenue is maximized by increasing use of the resorts including bed nights and use of complementary facilities through the integration of high quality golf facilities. Access to on-site golf is recognized throughout the leisure industry as a key amenity for successfully attracting corporate groups and leisure business.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

GOLF CLUB OPERATIONS (CONT'D)

3. Operating Costs

All TWC properties are managed through a centralized administration system. As a multi-golf club and resort operator, the Company is able to achieve overhead and operating efficiencies not possible by owners of individual golf clubs or resorts. For example, the Company employs a centralized marketing staff to serve all of its golf clubs and resorts. Insurance policies for the Company's portfolio of properties are consolidated under a master insurance policy. The Company's volume purchasing power also enables it to achieve savings not available to smaller buyers in the purchase of most merchandise, food and beverage supplies, turf and clubhouse supplies and maintenance equipment. Beneficial terms also include volume discounts and extended payment terms.

The Company believes that an ongoing commitment to the development of management information systems will increase its operating effectiveness. Accordingly, resources continue to be expended on the development of management information systems that support efficient management of the Company's business.

The Company believes that it can acquire a golf club without proportionately increasing its corporate office staff. Therefore, each future golf club addition will decrease the average cost of administration per golf club. TWC believes that its average cost of administration per golf club is significantly below that experienced by many of its smaller competitors.

TWC has been able to attract employees that are highly qualified in managing a business many times larger than the business constituted by a single golf course property. TWC's current size and its future growth potential have contributed significantly to TWC's ability to attract highly qualified and motivated employees.

Canadian golf club operating costs for the years ended December 31, 2015 and 2014 are recorded as follows:

(thousands of dollars)		**2015**		**2014**	**% Change**
Cost of sales	**$**	**19,885**	$	18,458	7.7%
Labour and employee benefits		**55,213**		54,483	1.3%
Utilities		**7,161**		7,425	-3.6%
Property taxes		**3,047**		3,058	-0.4%
Insurance		**1,733**		1,850	-6.3%
Repairs and maintenance		**3,290**		3,402	-3.3%
Fertilizers and pest control products		**2,241**		2,285	-1.9%
Fuel and oil		**1,077**		1,231	-12.5%
Other operating expenses		**13,135**		12,932	1.6%
Total operating costs	**$**	**106,782**	$	105,124	1.6%

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

GOLF CLUB OPERATIONS (CONT'D)

3. Operating Costs (cont'd)

US golf club operating costs for the years ended December 31, 2015 and 2014 are recorded as follows:

(thousands of dollars)	2015	2014	% Change
Cost of sales	**$ 1,781**	$ 1,863	-4.4%
Labour and employee benefits	**9,596**	9,747	-1.5%
Utilities	**1,545**	1,558	-0.8%
Property taxes	**945**	923	2.4%
Insurance	**496**	525	-5.5%
Repairs and maintenance	**833**	942	-11.6%
Fertilizers and pest control products	**927**	974	-4.8%
Fuel and oil	**272**	411	-33.8%
Other operating expenses	**2,628**	2,841	-7.5%
Subtotal (US dollars)	**19,023**	19,784	-3.8%
Exchange	**5,260**	2,094	N/A
Total (Canadian dollars)	**$ 24,283**	$ 21,878	11.0%

4. Member Service

It is TWC's objective to ensure that all members enjoy enhanced experiences when using TWC's facilities. This is achieved by ensuring that employees are properly trained in providing this level of service and by hiring qualified employees.

Member services initiatives in recent years included enhancement of member surveys and the creation of a dedicated member service department.

5. Specialized Skill and Knowledge

Since its inception, TWC's golf development team has constructed the following golf clubs: The Lake Joseph Club (1997 - 27 holes), RattleSnake Point Golf Club (1999 - 45 holes), King's Riding Golf Club (2000 - 18 holes), Rocky Crest Golf Club (2000 - 18 holes), Grandview Golf Club (2001 - 18 holes), Le Maitre de Mont-Tremblant (2001 - 18 holes), Predator at GreyHawk Golf Club (2002 - 18 holes), Club de Golf Le Fontainebleau (2003 - 18 holes), Caledon Woods Golf Club (2003 - 18 holes), Glencairn Golf Club (2004 - 27 holes), Talon at GreyHawk Golf Club (2004 - 18 holes) and Wyndance Golf Club (2007 - 27 holes).

As at the date of this annual information form, TWC has no plans to proceed with development at any greenfield properties within its budgeting horizon.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

GOLF CLUB OPERATIONS (CONT'D)

6. Competition

The Company operates in a competitive market place. Although TWC believes that it is the largest market participant that actively pursues its clustering and reciprocal play strategy in Canada, it is possible for a competitor to enter this market at any time and develop greater name recognition and have more extensive financial, marketing and personnel resources than TWC. In addition, TWC competes with individual golf and country clubs in those areas in which it operates its golf clubs. The Company also competes with resorts in the markets in which it operates golf resorts as well as other vacation destinations.

(a) Golf Clubs in Canada

The ownership and operation of golf courses is highly fragmented with few multi-golf club companies. The Company believes that, as the owner of a network of golf clubs with experienced management and a demonstrated ability to execute transactions, the Company has a competitive advantage in its ability to acquire well located, well designed member golf clubs and operate them in a cost efficient manner.

In recent years there has been a significant increase in the supply of golf product in the Ontario/Quebec Region, which has impacted demand and price negatively. Management believes that this may not be a short-term condition. While TWC has certain competitive advantages which will offset, in part, the impact of this increased competition, it has been affected by these influences particularly in the sale of new golf memberships and corporate event market.

(b) Golf Clubs in the United States

The ownership and operation of golf courses is highly fragmented and extremely competitive. As our Florida Region is not yet mature, the Company is developing programs, such as TravelLink, and the annual Sports Club membership to differentiate itself from other operators. TWC's marketing programs are tailored to highlight these differences.

(c) Resorts in Canada

The Company's resorts operate in a competitive market place. The marketplace is serviced by numerous small companies that operate resorts in close geographic proximity to the Company's resorts. In addition, TWC competes for the corporate group and leisure business with several large and small companies that operate resorts in other geographic markets. Many of these companies have greater name recognition and more extensive financial, marketing and personnel resources than the Company. If competitors offer a better resort product at comparable or lower prices, this could have a material adverse effect on the revenue generated by TWC's resorts.

The Muskoka region and areas that compete with Muskoka for guests, have seen significant investment of capital in recent years in the form of additional new resorts, the refurbishment of existing resorts and the sale of fractional product, which has resulted in the availability of improved resort product. The impact of this change in the market has been offset somewhat by a thorough review of the cost structure of TWC's Muskoka resorts to ensure that the operations remain as efficient as possible.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

GOLF CLUB OPERATIONS (CONT'D)

7. Pricing

Golf Clubs

The pricing of memberships is dependant on the level of golf club (i.e. prestige, platinum, gold or silver). This is further broken down into different levels of pricing depending upon the number of pre-existing memberships held by a company or family. For instance, first level pricing applies for the first membership owned by a company or family and extends to third level pricing for the third or higher person to join from a company or family. Third level pricing is typically about 60% to 75% of first level pricing for a golf club. Membership pricing can fluctuate depending upon specific promotions that are being offered at any particular pointing time.

The pricing of principal/corporate annual dues, excluding applicable taxes, for 2016 is also dependant on the level of golf club and its geographic location within the cluster as follows:

	Southern Ontario and Muskoka	Quebec/Eastern Ontario
Prestige	$5,735 - $6,275	N/A
Platinum	$5,025 - $5,385	$3,595 - $5,125
Gold	$4,150 - $4,675	$2,950 - $3,540
Silver	$3,275 - $3,775	N/A

Pricing for spousal annual dues is typically at a price level which is approximately 75% of the principal annual dues.

The pricing of other items such as banquets, guest fees and corporate events is dependant on factors such as the property, time of day, volume, time of year and availability.

Resorts

The pricing of resort stays is variable throughout the year and is impacted by factors such as expected availability, the time of year and competitive pressures.

8. Brand

TWC has grown to become Canada's largest owner and operator of golf clubs. This has been accomplished by providing services and conditions that deliver a superior golf and golf resort experience. TWC believes that its operating history, profile and reputation in the golf industry have contributed to advantages in the following areas which are material to its operations:

a) the Company is often the preferred choice among vendors of golf course properties;

b) the Company's brand is enhanced by cross-promotional programs with other high-end brand names that recognize the value of the Company's brand; and

c) The ClubLink brand and reputation is strengthened by an enhanced company wide focus on member services.

The phrase "ClubLink One Membership More Golf" was registered during 2011 as a trademark in Canada.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

GOLF CLUB OPERATIONS (CONT'D)

9. Seasonality

The quarterly earnings performance of the Company reflects the highly seasonal nature of both business segments. The majority of revenue and earnings from these businesses occur during the second and third quarters of the year. Accordingly, the quarterly reported net earnings of the Company will fluctuate with those of underlying business segments. This seasonality has been offset by the Florida acquisitions since September 2010.

10. Environmental Protection

In response to regulatory requirements concerning the quality of water and quantity of water usage in the environment (which is an especially sensitive issue in the Oak Ridges Moraine area, north of Toronto), TWC has developed practices and procedures regarding its golf course water use which allow each property to be more self-sustaining. These practices include the construction of reservoirs which allow TWC to store and re-use rain water and run-off.

TWC has also established acceptable practices for the monitoring of water quality standards at its golf courses.

11. Employees

The Company employed an aggregate of approximately 550 employees at December 31, 2015. The seasonal nature of the Company's business results in the total number of its employees fluctuating during the year. In 2015, at the height of the golf and resort season, the number of full time and part time employees, including seasonal employees, was approximately 5,000.

12. Foreign Operations

TWC's golf clubs in the United States consist of the Florida Region. The Florida Region includes twelve 18-hole equivalent championship and two 18-hole equivalent academy golf courses.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

RAIL AND PORT OPERATIONS

1. Summary of Operations

The White Pass railway stretches for a distance of approximately 177 kilometres (110 miles) from Skagway, Alaska through part of British Columbia to Whitehorse, Yukon and currently operates 110 km (67.5 mi) of track from Skagway, Alaska to Carcross, Yukon during the tourist operating season. Construction of this historic railway is recognized by the International Association of Professional Engineers as an "international historic civil engineering landmark" on par with the Eiffel Tower and Panama Canal. White Pass currently operates three docks primarily for cruise ships visiting Skagway.

During the 2015 tourist season (May through September), the railway transported 402,000 passengers (410,000 passengers in 2014), primarily from cruise ships that docked in Skagway. Cruise ships account for the vast majority of passengers, while bus or airline package tours and independent travellers comprise the remainder.

White Pass' principal revenue sources are passenger revenue from rail operations (approximately 75%), dock operations (approximately 20%) and gift shop sales (approximately 5%).

The following table provides information with respect to principal properties of White Pass:

Location	Principal Use	Approximate Size	Owned/Leased
Skagway, Alaska	Train Depot and Gift Shop	11,250 sq. ft.	Owned
Skagway, Alaska	Shop and Maintenance	42,500 sq. ft.	Owned
Skagway, Alaska	Paint Shop	8,600 sq. ft.	Owned
Skagway, Alaska	Railway Dock	132,000 sq. ft.	Owned
Skagway, Alaska	Broadway Dock	18,000 sq. ft.	Leased
Skagway, Alaska	Ore Dock	38,000 sq. ft.	Leased
Skagway, Alaska	Railroad and Port Operations Buildings	2,160 sq. ft.	Owned
Bennett, British Columbia	Train Depot and Operations Building	4,250 sq. ft.	Owned
Fraser, British Columbia	Operations Building	1,250 sq. ft.	Owned
Carcross, Yukon	Train Depot and Operations Building	3,650 sq. ft.	Owned
Location	**Principal Use**	**Approximate Length**	**Owned/Leased**
Alaska	Railway Right of Way	20.5 miles	Owned and easement or other rights
British Columbia	Railway Right of Way	33.0 miles	Owned
Yukon	Railway Right of Way	57.0 miles	Owned and easement or other rights

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

RAIL AND PORT OPERATIONS (CONT'D)

2. Operating revenue analysis

Rail and port operating revenue for the years ended December 31, 2015 and 2014 is recorded as follows:

(thousands of dollars)		2015		2014	% Change
Railroad	**$**	**29,331**	$	29,394	-0.2%
Port operations		**8,007**		8,062	-0.7%
Gift shop and other		**2,126**		2,198	-3.3%
Subtotal (US dollars)		**39,464**		39,654	-0.5%
Exchange		**10,939**		3,453	N/A
Total (Cdn dollars)	**$**	**50,403**	$	43,107	16.9%

Rail Operations

White Pass' primary business is the operation of comprehensive port facilities and a 36-inch narrow gauge passenger tourist railway under the trade name "White Pass & Yukon Route". The tourist railway offers round trip and one-way excursions from Skagway to the White Pass Summit, to Fraser, British Columbia, to Bennett, British Columbia and to Carcross, Yukon. The railway operates on a right of way that is generally 200 feet wide in Alaska and British Columbia and 100 feet wide in Yukon, with some points in the cities of Skagway and Whitehorse being as narrow as 30 feet.

Port Operations

White Pass operates dock facilities on the Skagway waterfront, which primarily serve cruise ships but also serve the mining and petroleum industries. White Pass' existing dock facilities can accommodate four large ships and one small ship at a time. White Pass operates three of the four major docks in Skagway, namely, Railway Dock, Broadway Dock and Ore Dock.

Gift Shop

The Train Shoppe's main retail location in the train depot is augmented by two satellite locations, sales on board the trains and an on-line store. The narrated diesel and steam excursions include a complimentary "All Aboard" magazine, which includes the route map as a guide for the excursion as well as historical information and a catalogue of exclusive White Pass memorabilia, gifts and clothing sold by the Train Shoppe.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

RAIL AND PORT OPERATIONS (CONT'D)

3. Operating costs

The rail and port operations have variable and fixed costs. Certain fixed costs are incurred by the corporate operations segment as part of their management of the segment. Other fixed costs include marketing, administration, insurance and property taxes. Variable costs include repairs and maintenance, labour, costs of sales, diesel and oil.

The cost to operate and maintain the locomotives and parlour cars is the main expense of this segment. The Company maintains a large rail shop whereby all maintenance is performed. Large price increases in utilities, fuel and oil have been partially offset by efficiencies from the repower program for its locomotives.

Other significant cost centres include the maintenance of way (responsible for the maintenance and upkeep of the railroad track) and also the passenger operations department (responsible for the passenger experience).

Rail and port operating costs for the years ended December 31, 2015 and 2014 are recorded as follows:

(thousands of dollars)		2015		2014	% Change
Cost of sales	**$**	**762**	$	775	-1.7%
Labour and employee benefits		**9,547**		9,910	-3.7%
Utilities		**384**		401	-4.2%
Property taxes		**561**		564	-0.5%
Insurance		**1,668**		1,616	3.2%
Repairs and maintenance		**393**		424	-7.3%
Fuel and oil		**990**		1,206	-17.9%
Other operating expenses		**3,841**		3,463	10.9%
Subtotal (US dollars)		**18,146**		18,359	-1.2%
Exchange		**4,976**		1,747	N/A
Total (Cdn dollars)	**$**	**23,122**	$	20,106	15.0%

4. Specialized Skill and Knowledge

The operation of a narrow gauge railroad in a remote, environmentally sensitive area has resulted in the Company acquiring a significant amount of knowledge in order to operate such an operation in an efficient manner. The use of narrow gauge locomotives requires the employment of certain mechanics and other operating personnel who specialize in this area.

5. Terrain

The rail and port operation segment operates in remote, rocky and mountainous terrain. While the Company maintains safeguards, operations may be adversely affected in the event of a rockslide, washout, derailment or accident.

6. Competition

Although White Pass offers a unique entertainment product, it nevertheless competes with other activities offered to cruise ship tourists on arrival at Skagway. Some of these activities include motor coach and van tours of historic Skagway, the White Pass Summit and into Yukon; vintage automobile city tours; helicopter and fixed wing aircraft tours; river rafting; fishing excursions; and glacier, hiking and bicycling tours. Competitive pressures will continue, but historically have not directed tourist interest away from White Pass by any substantial degree. White Pass intends to continue to mine its niche market and unique geography and history to increase its passenger volumes.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

RAIL AND PORT OPERATIONS (CONT'D)

7. Pricing

The standard advanced price at our ticket window in 2015 for a round trip summit excursion is US $119 for an adult and $59.50 per child which is typically conducted two times a day during the operating season. Excursions further along the rail line including Fraser, British Columbia, Bennett, British Columbia and Carcross, Yukon are also offered at incremental pricing. In some cases, a bus service is also used to complement the rail service.

8. Brand Name

White Pass markets itself as "The Scenic Railway of the World" and its mission is to "exceed customers' expectations by passionately and authentically celebrating and sharing the adventure and accomplishment of White Pass since its inception in the Klondike Gold Rush of 1898."

Our primary market is the cruise industry, which recognizes Skagway as a marquee port on its Alaskan cruises. White Pass maintains an excellent relationship with the cruise lines - carrying almost half of all cruise passengers - making it Alaska's most popular shore excursion and a high volume, highly rated and profitable shore excursion for the cruise lines. The relationship is supported with an incentive program and extensive cooperative pre-cruise and on-board promotion. White Pass also markets to motor coach tour companies and independent travelers who arrive via ferry and the Klondike Highway.

The White Pass brand is supported by extensive advertising and promotion including a comprehensive multimedia website (www.wpyr.com), social media and publicity activities. Relationships with rail fans and tourism marketing partners continue to build goodwill and leverage the marketing programs.

9. Seasonality

Due to the seasonal nature of the rail and port operations, the second and third quarters of the fiscal year account for, and are expected in the future to account for, a greater portion of the Company's revenue and net income than the first and fourth quarters of each fiscal year. This seasonal pattern may cause the Company's revenue and net income to vary significantly from quarter to quarter.

10. Environmental Protection

The rail and port operations are governed by numerous environmental protection regulations concerning the operation of locomotives and a railroad. TWC monitors these regulations and has developed extensive practice and procedures to address them to ensure compliance.

In recent years, the Company has made a substantial investment in repowering its fleet of locomotives. This investment has resulted in repowered locomotives that have a significantly lower impact on the environment by way of lower fuel and oil consumption and exhaust emissions.

11. Economic dependence

The rail and port operations are economically dependent on the Alaskan cruise line industry. For the year ended December 31, 2015, Carnival Cruises and its subsidiaries Princess Cruises and Holland America Cruises made up approximately 54.3% (2014 – 56.3%) of White Pass port passengers.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

RAIL AND PORT OPERATIONS (CONT'D)

12. Employees

The number of employees employed by White Pass fluctuates from approximately 190 employees at the height of the tourist season to approximately 25 during the winter months.

13. Foreign Operations

The majority of revenue earned by the rail and port operations is in US dollars, which is also the base currency of this segment. Changes in the US/Cdn exchange rate will cause fluctuations in earnings.

ENVIRONMENTAL POLICIES

The operation of golf courses involves the use and storage of hazardous material such as herbicides, pesticides, fertilizers, motor oil and gasoline. Under various federal, provincial and local laws and regulations, an owner or an operator of a golf course may become liable for the cost of removing such hazardous substances released in and/or on its property or adjacent properties and for the remediation of these properties. Such laws often impose liability regardless of whether a property owner or operator knew of, or was responsible for, the release of hazardous materials. Such laws also impose liability for damage to the environment caused by the construction and development of real estate.

TWC's golf courses are constructed and managed with a high level of environmental awareness. In addition, TWC's turf management team is highly knowledgeable and receives extensive training regarding the proper use of pesticides and chemicals required to promote healthy golf course conditions and compliance with applicable regulations. However, certain risks are associated with the use of these items and the overall affect a golf course has on the surrounding habitat including nearby waterways.

TWC also maintains and operates water and sewage treatment plants at some of its properties which are subject to Ministry of Environment rules and regulations regarding compliance of potable water quality and septic system discharge.

The rail and port operations segment has developed proper procedures for the handling and storage of oil and gas products which could have a negative impact on the environmental sensitive area in which the Company operates.

Further, the locomotive repower program has reduced the amount of emissions into the environment by its locomotives.

A committee of the Board of Directors has been established to ensure appropriate policies and standards are maintained for environmental stewardship. All costs associated with the monitoring of environmental regulations and compliance matters have been reflected in TWC's financial statements.

TWC believes that it has adopted appropriate practices and procedures and maintains adequate insurance to address environmental contingencies.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

RISKS AND UNCERTAINTIES

TWC manages a number of risks in each of its business segments in order to achieve an acceptable level of risk without hindering its ability to maximize returns. Management has procedures to identify and manage significant operational and financial risks.

In addition to the risks described elsewhere in this AIF, this section describes the principal risks that could have a material and adverse effect on the Company's financial condition, results of operations, cash flows or business, as well as cause actual results to differ materially from expectations expressed in or implied by forward-looking statements. The risks described below are not the only risks that could affect the Company. Additional risks and uncertainties not currently known or that are currently deemed to be immaterial may also materially and adversely affect TWC's financial condition, results of operations, cash flows or business.

Economic & Business Risk

A decline in the economic environment and its impact on disposable income in areas where TWC operates may have an adverse effect on operating revenue. The Company's business segments are dependent upon discretionary spending by consumers and corporations which in turn is impacted by general economic conditions.

An extended recession could materially affect both business segments' revenue and financial performance as discretionary spending declines.

The ability to attract and retain full privilege golf members and the number of rounds played at member, hybrid and daily fee golf clubs have historically been dependent upon (i) discretionary spending by consumers and corporations, which may be affected by general economic conditions in the markets that it operates, and (ii) the popularity of golf as a leisure activity. There is no certainty that current levels of participation will be sustained or increase in the future. A decrease in the overall number of golfers, their rates of participation and consumer or corporate spending on golf, individually or collectively, could have a material adverse effect on the Company's business, financial condition and results of operations. Given that a substantial portion of the Company's golf activities are carried out in Southern Ontario, the results of operations will depend heavily on the financial condition of this market.

A decline in the economic environment and its impact on disposable income in areas where TWC's clusters are located may have an adverse effect on the Company's golf club operations revenue. The Company believes this is mitigated and that revenue from member clubs would remain relatively constant since a member is committed to pay annual dues and consume a food and beverage minimum to maintain their membership. While the sale of new memberships may decline in such circumstances, almost all Member Golf Clubs have a membership base that generates sufficient operating revenue to sustain profitable operations at that property.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

RISKS AND UNCERTAINTIES (CONT'D)

Economic & Business Risk (cont'd)

Corporate event bookings, which represent a material portion of the Company's golf revenue, are susceptible to major changes in the economic environment.

The success of the rail and port operations are economically dependent upon the flow of cruise ship traffic along the west coast of North America to Alaska. As experienced during 2010, these operations can be disrupted for reasons beyond the control of management, including new taxes, commercial and weather-related changes to ship scheduling. There is a risk, beyond the control of TWC, that receivables due from Carnival Cruises will not be paid or paid in a timely manner.

Economic Dependency

Rail and port operations are economically dependent upon the Alaska cruise line industry. For the year ended December 31, 2015, Carnival Cruises and its subsidiaries, Princess Cruises and Holland America Cruises, made up approximately 54.3% of White Pass port passengers (2014 – 56.3%). The loss of this customer could have a material impact on the operations of the Company.

Foreign Currency Risk

TWC operates both in Canada and the United States and reports its earnings in Canadian dollars. Certain TWC borrowings have a base currency of US dollars as well. Fluctuations in exchange rates could affect the cost of capital or the contribution from operations in the United States, and the value of the Company's investments in the United States.

Availability of Credit/Liquidity

No assurance can be given that borrowings will be available to the Company or its subsidiaries to replace existing credit facilities on terms acceptable to the Company, if at all. Failure to renew or replace credit facilities as they mature would require TWC to obtain alternative sources of capital, which may include the sale of assets or the issuance of equity at prices that may be dilutive to current shareholders.

Renewal Risk

TWC is exposed to renewal risk on its maturing borrowings. A total of 68% (December 31, 2014 – 64%) of TWC's consolidated borrowings is fully amortizing over the remaining term to maturity and 32% (December 31, 2014 – 36%) of TWC's borrowings is subject to this risk.

Interest Rate Risk

TWC is exposed to market risk related to interest rate fluctuations. The majority of TWC's borrowings has fixed interest rates over its remaining term to maturity, with 42% (December 31, 2014 – 39%) of its debt subject to this risk.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

RISKS AND UNCERTAINTIES (CONT'D)

Risks Associated with Information Systems

Golf club operations rely on information systems in its business to obtain, rapidly process and analyze data to manage:
• its tee sheet and reservation system;
• its member database;
• the accurate billing of receivables and collections from members;
• the accurate accounting for and payment to vendors; and
• the processing of financial data.

Rail and port operations rely on information systems to manage train scheduling, cruise ship bookings, communications and accounting data.

Results of operations from both business segments could be adversely affected if these systems are interrupted, damaged by unforeseen events or fail for any extended period of time, including due to the action of third parties.

Competition

The competitive environment in all business segments is evolving. There have been significant additions to alternative products in the golf club, resort and tourism sectors in Ontario. While the Company has certain competitive advantages which management believes will offset, in part, the impact of this increased competition, it has been affected by these developments.

The Company faces strong competition in the Florida golf marketplace from golf clubs that have been reducing their golf fees to maintain market share. TWC believes its pricing is competitive and is striving to differentiate their product by ensuring a quality golfing experience.

Key Management

The Company's success depends upon the continued contribution of key management, some of whom have unique talents and experience and would be difficult to replace quickly. The loss or interruption of the services of a key executive could have a material adverse effect on our business during the transitional period that would be required to restructure the organization or for a successor to assume the responsibilities of the key management position.

Litigation

The Company and certain of its subsidiaries are defendants in a number of legal actions. Although the outcome of these claims cannot be determined, in the opinion of management, the resolution of these matters is not expected to have a material adverse effect on the Company's financial position or results of operations.

Regulatory Environment

TWC and its subsidiaries are subject to regulation by numerous agencies involving the serving of alcohol, operation of a railroad and adherence to environmental constraints. Changes in these regulations, and their application, can impact the cost and efficiency of each business segment.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

RISKS AND UNCERTAINTIES (CONT'D)

Loss of Reputation

"ClubLink One Membership More Golf" and "White Pass & Yukon Route" both currently enjoy recognizable brand names in their operating markets. Damage to these brands could have a negative impact on the affairs of the Company. If the Company does not meet or exceed customer expectations, these brands could suffer. We have endeavoured to reduce this risk by ongoing employee training and a company-wide focus on customer service excellence.

Environment

TWC's golf courses are managed with a high level of environmental awareness. In addition, TWC's turf management team is highly knowledgeable and receives extensive training regarding the proper use of pesticides and chemicals required to promote healthy golf course conditions and compliance with applicable regulations. However, certain risks are associated with the use of these materials and the overall effect a golf course has on the surrounding habitat, including nearby waterways.

Phase 1 environmental assessments are completed prior to the acquisition of any property. Once the property is acquired, environment assessment programs ensure continued compliance with all laws and regulations governing environment and related matters.

Rail and port operations are subject to extensive federal, provincial, territorial, state, municipal and local environmental laws and requirements in both Canada and the US relating to, among other things, air emissions, management of contaminants including hazardous materials and waste, discharges to waters and the remediation of environmental impacts (such as the contamination of soil and water, including groundwater). A risk of environmental liabilities is inherent in transportation operations, historic activities associated with such operations and the ownership, management or control of real estate.

The Company believes that it has adopted appropriate practices and procedures and maintains adequate insurance to address environmental contingencies. As part of our environmental policies, TWC monitors, controls and manages environmental issues by way of measures for waste prevention, minimization and recycling of any waste products. A committee of the Board of Directors has been established to ensure appropriate policies and standards are maintained for environmental stewardship.

Terrain

The rail and port operations segment operates in remote, rocky and mountainous terrain. While the Company maintains safeguards, operations may be adversely effected in the event of a rockslide, washout or accident.

Weather

Extraordinary weather conditions involving extended dry or wet periods or exceptional hot or cold temperatures could impact the condition of golf courses and the demand for golf. Management believes that its geographically diverse operations may serve to reduce the impact of severe weather conditions.

The rail and port operations segment is dependent on its ability to operate its port and railroad. Severe weather and natural disasters, such as extreme cold or heat, flooding, snow, unusual high winds, stormy seas and earthquakes, can disrupt operations and service for the port and railroad and damage its infrastructure or properties.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

RISKS AND UNCERTAINTIES (CONT'D)

Real Estate

TWC is subject to risks inherent in the acquisition, development, ownership and financing of real estate in general and the operations, rehabilitation and development of golf courses and recreational real estate in particular, such as the risk of depreciation in the value of land and federal, provincial and municipal governmental regulations, including environmental, sewer, water, zoning and similar regulations. It is possible that enactment of new laws, changes in the interpretation or enforcement of applicable laws, rules and regulations or the decision of any authority to change or refuse a change to current zoning classification may have an adverse effect on the value of these golf facilities and related real estate.

Unions and Collective Bargaining

White Pass has three separate unions which represent employees in the rail and port operations segment. The United Transportation Union which represent train operations personnel is currently operating without a contract. The Company expects that negotiations will be completed in 2014.

In any set of labour negotiations, there can be no assurance that the negotiated compensation expenses or changes to operating efficiency will be as planned and may result in unanticipated increased costs and/or reduced productivity. In addition, there can be no assurance that reduced productivity and work disruptions will not occur during the course of collective bargaining prior to settlement.

Exchange of Confidential Information

This risk involves the utilization of members' confidential information, particularly in direct marketing. The potential dissemination of such information to the wrong individuals could cause significant damage to our relationship with our members and customers and could result in legal action. Various initiatives, such as a corporate privacy policy, have been implemented which seek to minimize the possibility that this may occur.

TWC is also involved in payment card industry ("PCI") compliance, a rigorous set of standards leveraging the latest security technology, such as encryption, to ensure the protection of customer credit card information. These capabilities are being introduced and implemented by TWC in accordance with the ongoing PCI certification program.

Income and Commodity Tax Amounts

The operations of TWC are relatively complex and related tax interpretations, regulations and legislation that pertain to TWC's activities are subject to continual change. The Company collects and pays income and commodity taxes to various taxation authorities.

The audit and review activities of the Internal Revenue Services and Canada Revenue Agency and other jurisdictions' tax authorities affect the ultimate determination of the actual amounts of commodity taxes payable or receivable and income tax liabilities. Therefore, there can be no assurance that taxes will be payable as anticipated and/or that the amount and timing of receipt of use of the tax-related assets will be as currently expected.

ITEM 3 DESCRIPTION OF THE BUSINESS (CONT'D)

RISKS AND UNCERTAINTIES (CONT'D)

Risk of Loss Not Covered by Insurance

The Company generally maintains insurance policies related to our business, including casualty, general liability and other policies covering our business operations, employees and assets; however, TWC would be required to bear all losses that are not adequately covered by insurance, as well as any insurance deductibles. In the event of a substantial property loss, the insurance coverage may not be sufficient to pay the full current market value or current replacement cost of the property. In the event of an uninsured loss, the Company could lose some or all of its capital investment, cash flow and anticipated profits related to one or more properties. Assurance cannot be provided that the Company will not incur losses in excess of insurance coverage or that insurance can be obtained in the future at acceptable levels and reasonable cost. Due to the cost involved, the Company has chosen not to purchase catastrophic wind (hurricane) insurance for its Fort Lauderdale area golf clubs.

Integration of Acquisitions

Integration activities include the review and alignment of accounting policies, employee transfers and moves, information systems, optimization of service offerings and establishment of control over new operations. Such activities may not be conducted efficiently and effectively, negatively impacting service levels, competitive position and expected financial results.

TWC has a team that performs the integration function. This team applies an integration model, based on experiences from numerous previous integrations, which enhances and accelerates the standardization of TWC's business processes and strives to preserve the unique qualities of acquired operations. The integration process begins with strategic, pre-closing analysis and planning, and continues after closing with the execution of a plan. Integrated operations are re-evaluated and assessed regularly, based on timely feedback received from the integration team.

ITEM 4 DIVIDENDS

The declaration and payment of dividends on TWC's common shares are at the discretion of the Board of Directors. The Company introduced a regular dividend policy in 2000. During the period January 1, 2013 to December 31, 2015 the Board of Directors declared twelve quarterly dividends of 7.5 cents per common share. Effective in the fourth quarter of 2014, the dividend was converted from cash to stock. A complete record of the annual dividends paid on the common shares for the past three years is as follows:

	2015	2014	2013
Per common share	$0.30	$0.30	$0.30
Cash	$ -	$5,875,000	$7,828,000
Stock	8,001,000	1,967,000	-
Total	$8,001,000	$7,842,000	$7,828,000

ITEM 5 DESCRIPTION OF CAPITAL STRUCTURE

The following is a description of the material rights, privileges, restrictions and conditions attached to the authorized preferred shares and common shares. This summary is qualified in its entirety by the full text of such attributes contained in the articles of the Company.

Currently, the authorized share capital of the Company consists of an unlimited number of preferred shares, issuable in series, ("Preferred Shares") of which none have been issued to date, and an unlimited number of shares of one class designated as common shares ("Common Shares"), of which 27,344,963 Common Shares were issued and outstanding as of March 30, 2016.

ITEM 5 DESCRIPTION OF CAPITAL STRUCTURE (CONT'D)

Preference Shares

The Board of Directors of the Company may issue Preferred Shares at any time and from time to time in one or more series. Prior to issuance of a particular series, the Board of Directors may determine, subject to the limitations set out in the articles, the designation, preferences, rights, conditions, restrictions, limitations or prohibitions to attach to the shares of such series including the rate or rates, the dates of payment thereof, the redemption price and terms and conditions of redemption, conversion rights (if any) and any sinking fund or other provisions.

Preferred Shares of each series are entitled to preference over Common Shares with respect to priority in payment of dividends and in the distribution of assets in the event of liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or any other distribution of the assets among shareholders. Preferred Shares of each series rank on parity with Preferred Shares of every other series with respect to priority in payment and distribution as outlined above.

The holders of Preferred Shares are not entitled as such, except where specifically provided, to receive notice of or to attend any meeting of the shareholders of the Company or to vote at any such meeting unless and until the Company from time to time fail to pay dividends for a period aggregating two years on Preferred Shares of any one series according to the terms thereof, but only so long as any of those dividends on Preferred Shares are outstanding. The holders of Preferred Shares are entitled to receive notice of meetings of shareholders of the Company called for the purpose of authorizing the dissolution of the Company or the sale of its undertaking or a substantial part thereof.

The approval of the holders of Preferred Shares to delete or vary any preference, right, condition, restriction, limitation or prohibition attaching to the Preferred Shares as a class or to create Preferred Shares ranking in priority to or on parity with Preferred Shares may be given in such a manner as may then be required by law, subject to a minimum requirement that such approval be given by resolution passed by an affirmative vote of at least two-thirds of the votes cast at a meeting of the holders of Preferred Shares duly called for that purpose.

Common Shares

Subject to the prior rights provided to the holders of Preferred Shares, if any, each holder of Common Shares is entitled to receive notice of and to attend all meetings of shareholders of the Company and to vote thereat, except meetings at which only holders of a specified class of shares (other than Common Shares) or specified series of shares are entitled to vote. At all meetings at which notice must be given to the holders of Common Shares, each holder of Common Shares is entitled to one vote in respect of each Common Share held by the holder.

The holders of Common Shares are entitled, subject to the rights, privileges, restrictions and conditions attaching to any other of the shares of the Company, to receive any dividend declared by the Company and to receive the remaining property of the Company on a liquidation, dissolution or winding up of the Company, whether voluntary or involuntary.

ITEM 6 MARKET FOR SECURITIES

The Common Shares of the Company are listed and posted for trading on the Toronto Stock Exchange under the symbol “TWC”. During fiscal 2015, the price of the Common Shares traded from a low of $9.43 to a high of $12.50. The following table sets forth the reported high and low trading prices and trading volumes by month of the Company's Common Shares as reported by the Toronto Stock Exchange for the year ended December 31, 2015.

	Price ($)		
Month	High	Low	Volume
January	10.97	9.81	76,369
February	11.25	9.80	51,128
March	11.45	10.55	42,941
April	11.43	10.74	166,479
May	11.19	10.00	21,237
June	10.65	9.83	21,349
July	10.59	9.80	56,121
August	10.20	9.73	21,032
September	10.80	9.73	8,531
October	11.00	9.70	30,238
November	11.70	10.72	26,074
December	11.70	10.50	31,999
Totals	11.70	9.70	553,498

ITEM 7 ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

To management’s knowledge, there are no TWC shares held in escrow or subject to contractual restrictions on transfer.

ITEM 8 DIRECTORS AND OFFICERS

Name, Address, Occupation and Security Holding

The directors and officers of the Company and their municipalities of residence and principal occupations are set forth below. Except as otherwise stated below, during the past five years all officers and directors have been employed in various capacities by the Company or by the companies or firms indicated opposite their names and in the biographies described herein.

To management's knowledge, none of the directors or officers listed below have been affiliated with a public company that has (a) had a cease trade order issued against it (b) been subject to bankruptcy proceedings in the last ten years (except as disclosed below) or (c) been subject to securities sanctions or penalties.

Name and Residency	Office	Director Since	Current Principal Occupation	Number of Shares Owned(4) (as of March 22/16)
Patrick S. Brigham(2) (3) Toronto, *Ontario, Canada*	Director	June 30, 2009	Chairman and Chief Executive Officer of Brigham Holdings Inc.	291,500
Paul Campbell (2) (3) *Toronto, Ontario, Canada*	Director	May 20, 2010	Advisor	11,528
David A. King(1) *Victoria, British Columbia, Canada*	Director	October 23, 1997	President, DK Holdings Ltd.	81,407
John Lokker(1) *Caledon, Ontario, Canada*	Director	September 14, 2000	CEO, Neal Traffic Services Limited	2,500
Samuel J.B. Pollock(1)(2) *Toronto, Ontario, Canada*	Director	June 4, 2008	Senior Managing Partner, Brookfield Asset Management Inc.	NIL
K. (Rai) Sahi *Mississauga, Ontario, Canada*	Director, Chairman & CEO	October 23, 1997	Chairman & Chief Executive Officer, Morguard Corporation	18,451,661
Andrew Tamlin *Newmarket, Ontario, Canada*	Chief Financial Officer	N/A	Chief Financial Officer, TWC Enterprises Limited	NIL
Donald W. Turple(3) *Vancouver, British Columbia, Canada*	Director	November 23, 1998	President of Aquilini Properties LP	85,403
Robert Visentin *Toronto, Ontario, Canada*	Senior Vice President	N/A	Senior Vice President, TWC Enterprises Limited	223,166
Jack Winberg(2)(3) *Willowdale, Ontario, Canada*	Director	June 30, 2009	President and Chief Executive Officer of the Rockport Group	544,776
Robert D. Wright *Carlisle, Ontario, Canada*	Vice President	N/A	Vice President, TWC Enterprises Limited	5,174

(1) Member of Audit Committee
(2) Member of Compensation, Governance and Nominating Committee
(3) Member of the Environmental, Health and Safety Committee
(4) Common shareholdings of the Company include common shares beneficially owned, controlled or directed

ITEM 8 DIRECTORS AND OFFICERS (CONT'D)

Name, Address, Occupation and Security Holding (cont'd)

Patrick S. Brigham, Honorary Consul to Finland, is the Chairman and Chief Executive Officer of Brigham Holdings Inc. a Toronto based investment company. Mr. Brigham founded Sunquest Vacations Ltd. in 1972 and was its Chief Executive Officer until its sale in 1995. Mr. Brigham was a director of TWC Corporation from December 1995 until privatization in July, 2009.

Paul Campbell is currently Project Lead, Royal York Hotel, with Kingsett Capital. Mr. Campbell is also on the advisory board of 20 Vic Management Inc.

David King is a corporate director and President of DK Holdings Ltd., a private investment company.

John Lokker is Chief Executive Officer of Neal Traffic Services Limited, a transportation consulting services firm. Mr. Lokker was Vice President of TWC Enterprises Limited from 1998 – 2000, monitoring the activities of the Corporation as well as developing strategic directions, and is a former officer and consultant of Morguard Corporation. In the past he has held the position of Chief Financial Officer of Kingsway-Motorways, the largest transportation organization of its time; and President of Consolidated Fastfrate. Mr. Lokker is a Chartered Accountant and Certified Fraud Examiner with direct experience in senior financial roles, including corporate finance and internal audit.

Samuel J.B. Pollock is a corporate director. Mr. Pollock is Senior Managing Partner and Global-head of Infrastructure of Brookfield Asset Management Inc. Mr. Pollock joined Brookfield's financial services operation in 1994 and has held various senior positions in the organization, including leadership of the company's financial advisory services and merchant banking operations.

Until 2011, Mr. Pollock was a director of Fraser Papers Inc. (Fraser Papers), an integrated specialty paper company that produces a broad range of specialty packaging and printing papers. On June 28, 2010, Fraser Papers and its subsidiaries filed for creditor protection under the Companies Creditors Arrangement Act (CCAA) in Canada and Chapter 15 of the U.S. Bankruptcy Code. In February 2011, the Ontario and Delaware courts overseeing these proceedings issued orders enabling the implementation of an amended plan of arrangement and compromise (the Plan) previously approved by Fraser Paper's creditors. Fraser Papers completed the plan in 2011.

K. (Rai) Sahi is Chairman, President and Chief Executive Officer of the Company and the Chairman, Chief Executive Officer and largest shareholder of Morguard Corporation, a public real estate and property management company with extensive real estate holdings. Mr. Sahi is also a director of a number of other public companies. Mr. Sahi was a director of TCT Logistics Inc., a transportation and supply chain management company, from July 2000 to January 2002 at which time the company was placed in receivership.

Andrew Tamlin was appointed Chief Financial Officer of TWC on February 17, 2015. Mr. Tamlin has been with the TWC group of companies in varying roles for approximately 15 years, most recently as Controller.

Donald W. Turple has been President of Aquilini Properties LP, a diversified real estate company based in Vancouver, British Columbia since September 2008. Prior to that time, Mr. Turple served as a consultant to Morguard Corporation holding a number of positions throughout his tenure including Vice President and Chief Financial Officer of TWC and Morguard Corporation. Mr. Turple was a director of TCT Logistics Inc., a transportation and supply chain management company, from December 2001 to January 2002 at which time the company was placed in receivership.

Robert Visentin was appointed SVP Investments on February 17, 2015. In addition, Mr. Visentin had been Chief Financial Officer of TWC group of companies since April 2000 and a member of its senior management team since 1997.

ITEM 8 DIRECTORS AND OFFICERS (CONT'D)

Name, Address, Occupation and Security Holding (cont'd)

Jack Winberg is President and Chief Executive Officer of the Rockport Group, a real estate investment company. Mr. Winberg was a director of ClubLink Corporation from December 1993 until privatization in July, 2009.

Robert D. Wright has held the office of Senior Vice President and Chief Financial Officer of Renasant since September 2000. In 2007, he additionally became a consultant to Morguard Corporation. Mr. Wright served as Chief Financial Officer of TWC for 2008.

The term of office of each director expires at the end of each annual meeting of shareholders of the Company. The following are committees of the board of TWC: Corporate Governance and Compensation Committee, Environmental and Safety Committee, and Audit Committee. The directors and officers of the Company, as a group, beneficially own, or exercise control or direction, directly or indirectly over approximately 70% of the issued and outstanding common shares of TWC as of March 30, 2016.

ITEM 9 CONFLICTS OF INTEREST

To management's knowledge, there are no conflicts of interest involving any of the directors or officers of the Company or the Company itself.

ITEM 10 PROMOTERS

To management's knowledge, there have not been any promoters of TWC or its subsidiaries since January 1, 2011.

ITEM 11 LEGAL PROCEEDINGS AND REGULATORY ACTIONS

TWC is occasionally named as a party in various claims and legal proceedings which arise during the normal course of its business. The Company reviews each of these claims, including the nature of the claim, the amount in dispute or claimed and the availability of insurance coverage. Although there can be no assurance that any particular claim will be resolved in the Company's favour, the Company does not believe that the outcome of any claims or potential claims of which it is currently aware will have a material adverse effect on the Company.

ITEM 12 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Annual Information Form and in note 18 to the audited consolidated financial statements for the fiscal year ended December 31, 2015, the Company is not aware of any material interest of any current or proposed director, officer or an affiliate/associate of a director/officer of the Company in any transaction since January 1, 2013 or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Company.

ITEM 13 TRANSFER AGENTS AND REGISTRARS

The transfer agent and registrar for the Company is Canada Stock Transfer Company, Inc. having an address at 320 Bay Street Toronto, Ontario M5H 4A6.

ITEM 14 MATERIAL CONTRACTS

None noted.

ITEM 15 INTERESTS OF EXPERTS

Deloitte LLP ("Deloitte"), the Company's external auditors, have prepared the audit report on the audited consolidated financial statements of the Company as at and for the year ended December 31, 2015. Deloitte is independent with respect to the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

Golder and Associates is retained by White Pass to prepare environmental reports and PND Engineers Inc. is retained to prepare annual bridge and rail condition reports.

Management believes that each of these experts do not have an interest in the securities of the Company which exceeds one percent.

ITEM 16 ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of securities, and securities authorized for issuance under equity compensation plans is contained in the Management Information Circular for the Company's most recent annual meeting of shareholders that involved the election of directors.

Additional financial information is provided in the audited consolidated financial statements for the fiscal year ended December 31, 2015 and in the management's discussion and analysis of financial condition and results of operations, contained in the Company's 2015 Annual Report, which is incorporated herein by reference.

You may access additional information relating to the Company, including the Company's disclosure documents, on SEDAR at www.sedar.com and at www.twcenterprises.ca.

ITEM 17 AUDIT COMMITTEE INFORMATION

The Audit Committee is responsible for reviewing the Company's financial reporting policies and procedures, internal controls and performance of the Company's external auditors and reporting to the Directors regarding these and other financial matters. The Committee is responsible for reviewing quarterly financial statements and the annual financial condition and results of operations, and the accompanying management's discussion and analysis of financial condition and results of operations, prior to their approval by the board of directors.

ITEM 17 AUDIT COMMITTEE INFORMATION (CONT'D)

The Audit Committee charter sets out its purpose, responsibilities and duties, qualifications for membership, accountability and reporting to the board of directors. A copy of the Audit Committee charter is attached hereto as Appendix "A".

The Audit Committee is comprised of three directors, all of whom are independent directors and are considered financially literate as such term is defined under Canadian Securities law. The members of the Audit Committee are Donald Turple (Chair), David A. King, John Lokker and Samuel J.B. Pollock.

The following describes the relevant education and experience of the Audit Committee members:

Mr. Lokker is a Chartered Accountant and Certified Fraud Examiner with direct experience in senior financial roles, including corporate finance and internal audit.

Mr. King has a broad background in financial reporting and sits on a number of boards and committees of significant public companies.

Mr. Pollock is a Chartered Accountant and holds a business degree from Queen's University. He has been a Managing Partner of Brookfield Asset Management Inc. and its predecessor companies (formerly Brascan Financial Corporation and Trilon Financial Corporation) since 1994.

Mr. Turple is a Chartered Accountant and has been President of Aquilini Properties LP, a diversified real estate company based in Vancouver, British Columbia since September 2008. Prior to that time, Mr. Turple served as a consultant to Morguard Corporation holding a number of positions throughout his tenure including Vice President and Chief Financial Officer of TWC and Morguard Corporation.

The Audit Committee has adopted a policy regarding the provision of non-audit services by the Company's external auditors. The policy encourages consideration of whether the provision of services other than audit services is compatible with maintaining the auditor's independence and required the Audit Committee's pre-approval of permitted audit and audit-related services. The policy specifies a number of services which are not permitted to be performed by the Company's external auditors, including the use of external auditors for financial information design and implementation assignments.

The following table sets out the fees billed to the Company by Deloitte for professional services in each of the years ended December 31, 2015 and 2014. During these years, Deloitte was the Company's only external auditor.

Service	**For the Year Ended December 31, 2015**	**For the Year Ended December 31, 2014**
Audit Fees (1)	$320,000	$320,000
Audit-Related Fees	-	35,000
Tax Fees (2)	411,000	2,500
All other fees	-	-
Total	**$731,000**	**$357,500**

(1) Audit fees consist of fees for the audit of the Company's annual financial statements, the review of the Company's quarterly financial statements and the audit of the subsidiary level financial statements.

(2) Tax fees included tax compliance, tax planning and tax advice.

TERMS OF REFERENCE FOR THE AUDIT COMMITTEE

I. PURPOSE

The Audit Committee will assist the Board of Directors in fulfilling its financial oversight responsibilities. The Audit Committee will review the financial statements, the adequacy of the system of internal control, the financial reporting process and management of financial risks, the audit process and the Company's disclosure controls and procedures.

In discharging its responsibilities, the Audit Committee is not itself responsible for the planning or conduct of audits or for any determination that the Company's financial statements are complete and accurate or in accordance with Canadian generally accepted accounting principles.

II. EXTERNAL AUDITOR INDEPENDENCE

The Company's External Auditor is ultimately accountable to the shareholders through the Board of Directors and the Audit Committee.

The Committee's responsibilities regarding the independence of the External Auditor are identified under the heading Duties, Powers and Responsibilities.

III. COMPOSITION AND OPERATIONS

A. The Audit Committee shall be composed of not fewer than three and not more than five outside directors, all of whom shall be independent and unrelated directors within the meaning of the Toronto Stock Exchange Guidelines on Corporate Governance (as the same may be amended or replaced from time to time).

B. All members of the Audit Committee must be financially literate and at least one member should have accounting or related financial expertise (i.e. someone who is able to analyze and interpret a full set of financial statements, including the notes attached thereto, in accordance with IFRS). Each member shall meet the independence, experience and financial literacy requirements of applicable law and listing standards.

C. The Secretary to the Committee will be the Corporate Secretary or his or her designate

D. The Audit Committee shall meet at least once each quarter. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.

E. The Company's internal auditor shall be entitled to receive notice of every meeting of the Audit Committee, and shall attend such meetings at the invitation of the Audit Committee. The External Auditor shall be entitled to receive notice of every meeting of the Audit Committee and to attend and be heard thereat. The Audit Committee expects that both the internal and External Auditors will have independent communication and information flow with the Committee or its Chair.

F. The Audit Committee may invite such officers, directors and employees of the Company as it may see fit, or any external counsel, from time to time to attend meetings of the Audit Committee and assist in the discussion and consideration of the duties of the Audit Committee. The Audit Committee shall have full authority to investigate any financial matter brought to its attention with full access to all books, records, facilities and personnel of the Company.

G. The time at which and place where the meetings of the Audit Committee shall be held and the calling of meetings and the procedure in all things at such meetings shall be determined by the Audit Committee; provided that meetings of the Audit Committee shall be convened whenever requested by the External Auditor or by a member of the Audit Committee in accordance with the Canada Business Corporations Act.

H. At least once each quarter, in the absence of any management representatives, the Audit Committee shall meet with both the Company's internal and external auditors ("in camera meetings").

I. The Audit Committee shall keep minutes of its meetings which, once approved by the Audit Committee, shall be available as soon as possible to the Board of Directors and provided to each Director who so requests.

IV. DUTIES, POWERS AND RESPONSIBILITIES

There is hereby delegated to the Audit Committee the duties and powers specified in section 171 of the Canada Business Corporations Act and, without limiting these duties and powers, the Audit Committee shall:

A. Financial Statements

1. In the discussion of the external audit plan with the External Auditor and management, satisfy itself that both quantitative and appropriate risk factors have been taken into account in the determination of whether or not amounts or disclosures are material to financial statements.

2. Review the annual audited Financial Statements, Management's Discussion and Analysis of Financial Condition and Results of Operations, with management and the External Auditor prior to their submission to the Board of Directors for approval, and make a determination whether to recommend to the Board of Directors that the audited Financial Statements be approved for inclusion in the Company's Annual Report.

3. Review, prior to their dissemination, the unaudited quarterly financial statements of the Company and other financial information with management and the External Auditor and, if satisfied that such statements and information conform to the accounting practices and standards of the Company, either recommend to the Board the release and publication of such statements and information or, if so authorized by the Board, authorize the release and publication of such statements and information. The Audit Committee shall also discuss the results of the External Auditor's review of the Company's quarterly financial statements. The Committee shall also review the quarterly Management's Discussion and Analysis of Financial Conditions and Results of Operations.

4. In the review of annual and quarterly financial statements, discuss the quality of the Company's accounting principles, the reasonableness of significant judgments, the clarity of the disclosures in the financial statements and the adequacy of internal controls. The Audit Committee shall also discuss the results of the annual audit, its quarterly reviews and any other matters required to be communicated to the Audit Committee by the External Auditor under Canadian generally accepted auditing standards, applicable law or listing standards.

TERMS OF REFERENCE FOR THE AUDIT COMMITTEE

5. Review the result of the External Auditor's audit of the Company's financial records, including the management letter, and report to the Board of Directors any matters that remain unresolved. Such review shall address any problems or difficulties the External Auditor may have encountered in connection with the annual audit or otherwise, including any restrictions on the scope of activities or access to required information, any disagreements with management regarding generally accepted accounting principles and other matters, material adjustments to the financial statements recommended by the External Auditor and adjustments that were proposed but "passed", regardless of materiality.

6. Review periodically with management, the internal auditor and the External Auditor the effect of new or proposed regulatory and accounting initiatives on the Company's financial statements and other public disclosures and procedures.

7. Review with the External Auditor (i) the Company's critical accounting policies and estimates, and (ii) any alternative treatments of financial information under IFRS that have been discussed with management.

B. Internal Audit

1. Review with management, the External Auditor and the internal auditor, audit scope, audit plans, activities and staffing of the internal audit function.

2. Review with management, the External Auditor and the internal auditor, the internal auditor's periodic activity reports.

3. Review on an annual basis the experience and qualifications of the senior members of the internal auditors and the overall effectiveness of the internal audit function including comparison with external benchmarks.

4. Review internal audit costs annually.

5. Discuss with the Chief Executive Officer any proposed dismissal, appointment or replacement of the internal auditor.

C. External Audit

1. Review with the External Auditor, management and the internal auditor the External Auditor's proposed audit plan and approach, including coordination with the internal auditor and the relationship between areas of audit emphasis and quantum of risk.

2. Review with the External Auditor annually their written statement regarding relationships and services which may affect the External Auditor's objectivity and independence. The Audit Committee shall approve guidelines for the retention of the External Auditor for any non-audit service and the fee for such service and shall determine procedures for the approval of audit and non-audit services in advance. The Audit Committee shall, in accordance with such procedures, approve in advance any audit or nonaudit service provided to the Company by the External Auditor, all as required by applicable law or listing standards.

TERMS OF REFERENCE FOR THE AUDIT COMMITTEE

3. At least annually, receive a report by the External Auditor describing any material issues raised by the most recent internal quality control review of the local practice office or by any inquiry or investigation by governmental or professional authorities of the local practice office, within the preceding two years, and steps taken to address any such issues. The report shall also include any similar matters pertaining to offices other than the local practice office, to the extent the audit partner is aware of such matters.

4. Ensure the regular rotation of the lead partner and the reviewing partner to the extent required by law, and regularly consider whether or not there should be a rotation of the Company's External Auditor.

5. With management, evaluate the performance of the External Auditor annually.

6. Recommend the appointment, reappointment or replacement of the External Auditor to the Board for recommendation to the shareholders.

7. Review External Audit fees.

8. Approve guidelines for the Company's hiring of former employees and partners of the External Auditor, which shall meet the requirements of applicable law and listing standards.

D. Compliance

1. Review periodically with management, including the General Counsel, and the External Auditor any correspondence with or other action by, regulators or government agencies and any employee complaints or published reports that raise concerns regarding the Company's financial statements, accounting or auditing matters (or compliance with the Company's Code of Business Conduct). The Audit Committee shall also meet periodically and separately with the General Counsel and other appropriate legal staff of the Company or external counsel to review material legal affairs of the Company and the Company's compliance with applicable law and listing standards.

2. Review a summary of compliance with the Company's Code of Business Conduct on an annual basis.

E. Reporting Responsibilities

1. Regularly update the Board about Committee activities and ensure the Board is aware of matters which may significantly impact the financial condition or affairs of the Company.

2. Prepare annually a report for inclusion in the management information circular. This report will disclose the Committee's activities that resulted from its financial reporting oversight responsibilities. Specifically, the report will deal with its review of the financial statements with management; the discussions it has had with the External Auditor regarding their written disclosures pertaining to independence and other matters required to be discussed and will contain disclosure of all audit and non-audit fees paid to the External Auditor.

TERMS OF REFERENCE FOR THE AUDIT COMMITTEE

F. Other Responsibilities

1. Ensure procedures are in place for the receipt, retention and treatment of complaints received by the Company regarding financial statement disclosures, accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding financial statement disclosures, accounting, internal accounting controls and auditing matters.

2. Review and address any complaints received by the Company regarding financial statement disclosures, accounting, internal accounting controls or auditing matters, and any confidential, anonymous submissions by employees of the Company of concerns regarding questionable accounting or auditing matters.

3. Review annually a summary of the Company's transactions with directors and officers and with firms that employ directors, as well as any other material related party transactions.

4. In assessing its own performance, the Audit Committee shall solicit feedback from the Board, the Chief Executive Officer, the Chief Financial Officer, the internal auditor and the External Auditor on specific opportunities to improve Audit Committee effectiveness.

5. Review and assess the adequacy of the Terms of Reference for the Audit Committee on an annual basis.

6. Carry out such other duties as may be delegated to it by the Board of Directors from time to time.

V. OUTSIDE EXPERTS

The Audit Committee may, if and when considered appropriate to do so, institute, direct and supervise an investigation into any matter related to the mandate of the Committee and may, for the purposes of such investigation, retain the services of outside legal counsel or other professionals, as required.

VI. ACCOUNTABILITY

The Committee shall report its discussions to the Board by distributing the minutes of its meetings and, where appropriate, by oral report at the next Board meeting.