PORTLAND
INVESTMENT COUNSEL®

PORTLAND VALUE FUND

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

MARCH 31, 2017

PORTFOLIO MANAGEMENT TEAM	**Michael Lee-Chin** Executive Chairman, Chief Executive Officer and Portfolio Manager	**Dragos Berbecel** Portfolio Manager

Management Discussion of Fund Performance **Portland Value Fund**

This interim management report of fund performance contains financial highlights, but does not contain either interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-888-710-4242, by writing to us at 1375 Kerns Road, Suite 100, Burlington, ON L7P 4V7 or visiting our website at www.portlandic.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

The views of the portfolio management team contained in this report are as of March 31, 2017 and this report is not intended to provide legal, accounting, tax or specific investment advice. Views, portfolio holdings and allocations may have changed subsequent to this date. For current information please contact us using the above methods. All references to performance relate to Series F units. The performance of other units may be different than that of the Series F units due to differing fees.

INVESTMENT OBJECTIVE AND STRATEGIES

The investment objective of the Portland Value Fund (the Fund) remains as discussed in the prospectus. The Fund's objective is to generate an above average return by employing a focused investment strategy, primarily in a limited number of long securities positions. The Fund invests in a small number of quality equities, ordinarily selected from liquid, large cap stocks, domiciled in long-term growth industries, which Portland Investment Counsel Inc. (the Manager) believes are undervalued and/or have the potential of increased returns due to activist investor campaigns.

The Manager then overlays a risk mitigation strategy based on portfolio construction and value discipline. The Manager has long held the view that the key to wealth creation is owning a few high quality businesses. By using a concentrated investment strategy, the Manager leverages its best investment ideas, which is expected to aid the Fund in meeting its investment objectives.

Activist investors are value investors with a push. They are looking for opportunities to demand a change in a company's strategy in order to unlock shareholder value. Common strategies include demanding a raise in dividends/share buybacks, the divestment of assets and/or the embracing or rejecting of mergers and acquisitions. Activist investors achieve their goals by cooperating with other institutional investors, acquiring board representation and/or changing the management of the target company.

RISK

The overall risk level has not changed for the Fund and remains as discussed in the Prospectus. Investors should be able to accept a medium level of risk and plan to hold for the medium to long term.

RESULTS OF OPERATIONS

For the period of September 30, 2016 to March 31, 2017, the Fund's benchmark, the MSCI World Total Return Index, had an annualized return of 9.9%. For the same period, the Fund had a return of (6.2%). Unlike the Index, the Fund's return is after the deduction of its fees and expenses.

The Fund's key relative performance detractors were Hertz Global Holdings Inc., Baytex Energy Corp. and Liberty Global PLC, while the Fund's relative performance contributors were Restaurant Brands International Inc., Berkshire Hathaway Inc. and Pershing Square Holdings, Ltd.

As at March 31, 2017, the top 5 sector exposure was constituted by energy 29.2%, financials 24.0%, consumer discretionary 18.2%, industrials 10.8% and consumer staples 9.5%. By using a concentrated investment strategy, the Manager leverages its best investment ideas, which is expected to aid the Fund in meeting its investment objectives. As of March 31, 2017, the Fund's underlying portfolio held 11 investments.

As expected, given the Fund's value focused mandate, the performance was mainly driven by company specific developments, the most important of which are detailed below.

John Malone-backed Liberty Global PLC Latin America and Caribbean (LiLAC), whose performance is tracked by the NASDAQ listed LiLAC shares, serves 10 million video, data, voice and mobile subscribers. During the period, the company revealed a better than expected set of results for its last quarter of 2016, driven by robust results at its Cable & Wireless Communications PLC (CWC) division as well as solid 10% growth in its Chilean business. The company also guided for a strong level of operating cash flows for 2017, at a $1.5 billion level. Nonetheless, LiLAC had suffered significant selling pressure in the aftermath of the de-merger via stock dividend by Liberty Global in Q3 of 2016 and recent appreciation following Q4 results has been relatively modest. With its fourth quarter results release, LiLAC held its first ever separated conference call and re-iterated its intention to pursue a full legal separation from Liberty Global this year, a positive catalyst, we believe, since it would allow for certain investors, otherwise precluded from holding tracking shares, to consider LiLAC shares. Speaking to the attractiveness of the LiLAC valuation, the company announced a $300 million share buy-back program, an action used frequently by John Malone throughout his storied career. Driven by the region's favourable demographics, relatively low technological penetration and industry readiness for consolidation, we believe LiLAC, through its asset base and capabilities transferred from John Malone's Liberty entities, is uniquely positioned to outperform. We find the value proposition very compelling and apparently we're not alone, given that, during the period, it has been revealed that prominent value investors have taken an interest in the company. Warren Buffett's Berkshire Hathaway is the company's third largest holder of "A" shares, with other notable investors including Jeremy Grantham's Grantham, Mayo, Van Otterloo & Co. LLC, Bill Gates and his foundation, as well as long-time John Malone supporter, Mario Gabelli.

The main detractor of Fund's performance during the period was Hertz Global Holdings, as the company, backed by activist investor Carl Icahn with a 35% stake, issued a profit warning and ended up significantly underperforming its earlier guidance for 2016. Subsequently, Hertz announced the replacement of its chief executive and a reduction in its board size for January of 2017. The new CEO is Kathryn Marinello, who sits on the boards of AB Volvo and General Motors. Marinello has been a senior advisor of Ares Management LLC since March 2014 and was CEO of customer management services provider Stream Global Services Inc. from 2010 to 2014. She has worked for more than 10 years at General Electric. During the period, a number of other activist investors built a stake in the company, including Mario Gabelli's Gabelli Funds, Larry Robbins' Glenview Capital and Paul Reeder's PAR Capital Management. Going forward, the management expects certain headwinds to persist throughout 2017 (used car market being one), though more diminished, and that the industry environment would become more favourable, as indicated by recent pricing trends. Hertz also expects that its go-to-market and technology overhaul will start bearing some fruit over the next couple of years.

Restaurant Brands International was a major contributor to performance during the period for the Fund, driven by positive market reaction to continued operational improvements, international expansion, but also by continued interest in pursuing accretive acquisitions. The company's costs reduced by 16% in the last quarter of 2016, while its total revenue increased by 5% during the same period. Early into 2017, the company announced the establishment of a master franchise joint venture with the purpose of launching the Tim Hortons brand in Mexico. Subsequently, Restaurant Brands International announced the acquisition of Popeye's Louisiana Kitchen's over 2,000 restaurants for $1.8 billion in cash, undoubtedly a source of future cost savings and expansion opportunities. We expect that, under the stewardship of the controlling shareholder, the 3G Group, the company will continue its acquisitive trajectory, followed by the implementation of now well-known value creation measures, such as zero based budgeting.

Berkshire Hathaway turned out to be one of the key beneficiaries of the Trump rally due to its direct and indirect holdings in a myriad of financial institutions, which benefited from expectations for higher rates and less financial regulation. A lot of attention has been paid to the Berkshire's purchase of shares of American Airlines and Delta Air Lines, revealed during the period, given the very vocal aversion Buffett himself expressed to investing in airlines in the past. While stirring up controversy, we perceive the investments to be of little consequence, given the (relatively) modest size, and are inclined to believe the decision would've been made by one of the two co-portfolio managers, Ted Weschler and Todd Combs, who have been helping Buffett with Berkshire's investments in public securities.

The Fund has a material exposure to energy holdings, which we believe have currently depressed valuations and which, as at March 31, 2017, constituted 29.2% of the portfolio's assets.

RECENT DEVELOPMENTS

During the period and in large part driven by what it is perceived as largely reflationary economic policies from the new Donald Trump-led U.S. administration, the U.S. Fed has accelerated the pace of its previously tentative monetary tightening. With two Fed Funds rate raises since last September and expectations for a couple more during the year, the excessive liquidity available to the capital markets is, albeit gradually, mopped up. Such a development, we believe, is likely to favour value based investment strategies, which have otherwise underperformed growth strategies since the beginning of the current market cycle, some eight years earlier. With valuations getting ahead of the fundamentals in certain areas of the market, the Manager believes that companies influenced by eminent capital allocators and activist investors have the ability to stand out by adapting quicker to market forces and improving their profitability through both operational changes and balance sheet optimization.

On the last day of November, 2016, OPEC (Organization of the Petroleum Exporting Countries) made good on its promise to agree on the details of the organization-wide production cut, as revealed at the end of its September 28 round of talks in Algiers. Helpfully, the new production target is at the lower end of the previously announced range of 32.5 to 33.0 million barrels of oil equivalent per day (boed), implying a cut of about 1.2 million boed, or some 4.5% of the cartel's production. Iran was allowed to just "freeze" production, at levels in line to its pre-sanctions output (around 3.8 million boed), while Nigeria and Libya were exempt from the agreement, as their production has been affected by conflicts. The coordinated production cut is OPEC's first in eight years, since the depths of the last recession, and brings back the oil producing countries' cartel into relevance, which it had seemingly lost when it refused to explore a production cut at its meeting in November of 2014. The agreement contains a provision that it can be extended for a further six months. Compliance with the production targets has been surprisingly strong, in particular from the part of OPEC members, with Saudi Arabia exceeding its target at times and current talks giving increased credence to an extension of the agreement, albeit unlikely to be formalized before OPEC's next scheduled meeting at the end of May. A number of recent reports, including from OPEC itself, indicate that, even on the basis of supply and demand dynamics before the announced production cuts, the crude oil market was likely to re-balance towards the middle of 2017. As such, the current production curtailment measures are meant to accelerate the draw-down of crude oil inventories globally.

We continue to believe that the current oil prices are unsustainable, as evidenced by the more than 20% back-to-back drops in global oil industry capex in 2015 and 2016, adding up to some $1 trillion in overall spending cuts towards finding and developing reserves by 2020. Capex cuts of such magnitude are unprecedented and are sowing the seeds of future supply shortfall as demand continues to grow. In other words, the longer lower oil prices stay low, the higher the eventual rebound.

It needs to be emphasized, we believe, that the recovery in the market values of oil and gas exploration and production (E&P) companies is not a linear function of the crude oil price, but rather a combination of price, operating leverage and balance sheet leverage. As such, there are likely a couple of inflection points in the performance of E&P companies. In broad terms, a West Texas Intermediate (WTI) level in the low $30/barrel could signify potential liquidity and solvency issues for many operators, with the associated drops in valuations, while levels in the $50 to $60/barrel range are more indicative of cash flow positive operations and significant uplift in valuations.

We believe that the Fund is well-positioned to continue to meet its investment objectives as outlined above.

Effective April 20, 2017, the Fund no longer offered Series G units and U.S. denominated Series A and Series F units.

RELATED PARTY TRANSACTIONS

The Manager is responsible for the day-to-day operation of and for providing investment management services to the Fund. The Manager receives a fee for providing these services. This is calculated daily based on the net asset value of the Fund and paid monthly. During the period ended March 31, 2017, the Manager received $5,079 in management fees from the Fund compared to $1,745 for the period ended March 31, 2016 (net of applicable taxes).

Any administrative services paid for or provided by the Manager are charged to the Fund and are grouped and presented by expense type in the statements of operations. Depending on their nature, some expenditures are allocated to the Fund based upon the net asset value or actual costs incurred. During the period ended March 31, 2017, the Manager was reimbursed $1,498 for operating expenses incurred on behalf of the Fund, including amounts paid to affiliates, net of applicable taxes. This compares to $587 for the period ended March 31, 2016. In addition to the amounts reimbursed, the Manager absorbed $50,800 of operating expenses during the period ended March 31, 2017 compared to $43,390 during the period ended March 31, 2016 (net of applicable taxes).

Affiliates of the Manager provide administrative services associated with the day-to-day operations of the Fund. These affiliates of the Manager were reimbursed $1,349 during the period ended March 31, 2017 by the Fund for such services, compared to $1,450 during the period ended March 31, 2016.

The Manager, its affiliates, officers and directors of the Manager (Related Parties) may own units of the Fund. Transactions to purchase or redeem units are made at net asset value per unit. Standing instructions from the Independent Review Committee were not required or obtained for such transactions. As at March 31, 2017, Related Parties owned 21.4% (September 30, 2016: 20.8%) of the Fund.

The Board of Directors of the manager is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities.

Notes

Certain statements included in this Management Discussion of Fund Performance constitute forward-looking statements, including those identified by the expressions "anticipate," "believe," "plan," "estimate," "expect," "intend" and similar expressions to the extent they relate to the Fund. These forward-looking statements are not historical facts, but reflect the current expectations of the portfolio management team regarding future results or events of the Fund. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. The portfolio management team has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation.

Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice.

Summary of Investment Portfolio as at March 31, 2017

Top 25 Investments*

	% of Net Asset Value
Liberty Global PLC LiLAC	10.6%
Whitecap Resources, Inc.	10.4%
Crescent Point Energy Corp.	10.0%
Nomad Foods Limited	9.5%
Pershing Square Holdings, Ltd.	9.2%
Baytex Energy Corp.	8.8%
Cash and Cash Equivalents	8.5%
Brookfield Asset Management Inc.	7.6%
Restaurant Brands International Inc.	7.6%
Berkshire Hathaway Inc.	7.2%
Brookfield Business Partners L.P.	7.0%
Hertz Global Holdings, Inc.	3.8%
Grand Total	100.2%
Total net asset value	$585,663

* *Where the Fund holds less than 25 holdings, all investments have been disclosed. There may be other assets and liabilities which are not included, and therefore the summary does not add up to 100%.*

The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available within 60 days of each quarter end by visiting www.portlandic.com or contacting us at 1-888-710-4242.

Portfolio Composition

Sector	
Energy	29.2%
Financials	24.0%
Consumer Discretionary	18.2%
Industrials	10.8%
Consumer Staples	9.5%
Other Net Assets (Liabilities)	8.3%

Geographic Region	
Canada	44.4%
United States	11.0%
United Kingdom	10.6%
British Virgin Islands	9.5%
Guernsey	9.2%
Other Net Assets (Liabilities)	8.3%
Bermuda	7.0%

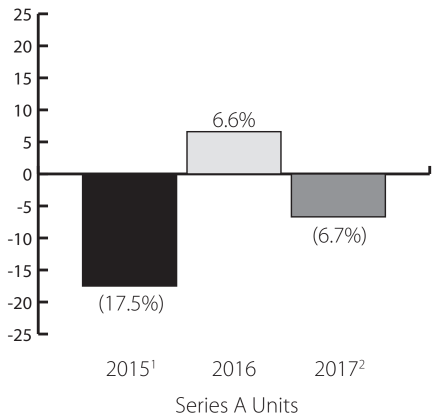
Other Net Assets (Liabilities) refers to cash on hand plus all other assets and liabilities in the Fund excluding portfolio investments.

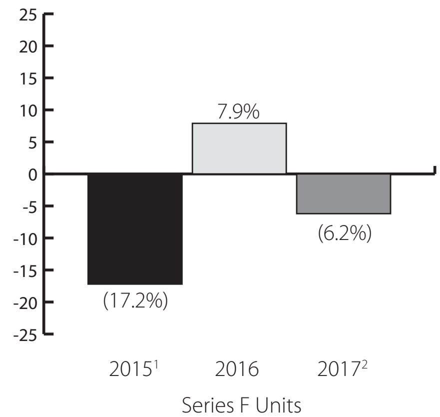
Past Performance

The past performance information shown in this section is calculated using the net asset value per unit and assumes that all distributions made by the investment fund in the periods shown were reinvested in additional securities of the investment fund. The past performance information does not take into account sales, redemptions, distribution or other optional charges or income taxes payable by the unitholder that would have reduced returns or performance. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

Year-By-Year Returns

The graphs show the annual historical returns of the applicable series of units, which change each year. Annual return is the percentage change in the value of an investment from October 1 to September 30 (unless otherwise stated).





1. From May 19, 2015 to September 30, 2015.
2. From October 1, 2016 to March 31, 2017.

Management Fees

The Manager is responsible for the day-to-day management and administration of the Fund. The Manager monitors and evaluates the performance of the Fund, pays for the investment management services of the investment adviser and arranges for the administrative services required to be provided to the Fund. As compensation for its service, the Manager is entitled to receive a fee, payable monthly, calculated based on the daily net asset value of the Fund.

		Expenses Paid Out of the Management Fee (%)		
Series of Units	Management Fee (%)	Dealer compensation	General administration, investment advice and profit	Absorbed expenses
Series A	2.00%	43%	-	57%
Series F	1.00%	-	-	100%

Financial Highlights

The following tables show selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past 5 years or, if shorter, the periods since inception of the Fund. For the current year, information in the table below is for the period from October 1, 2016 to March 31, 2017. For all other years, the information in the table below is for the period from October 1 to September 30, or inception date to September 30 in the inception period.

Series A Units - Net Assets per unit[1(a)]

For the periods ended	2017	2016	2015
Net assets, beginning of the period	$8.79	$8.25	$10.00 [†1(b)]
Increase (decrease) from operations:			
Total revenue	0.02	0.17	0.14
Total expenses	(0.13)	(0.26)	(0.11)
Realized gains (losses)	0.08	0.33	(0.09)
Unrealized gains (losses)	(0.56)	(0.22)	(1.55)
Total increase (decrease) from operations[2]	(0.59)	0.02	(1.61)
Distributions to unitholders:			
From income	-	-	-
From dividends	-	(0.01)	-
From capital gains	(0.05)	-	-
Return of capital	-	-	-
Total annual distributions[3]	(0.05)	(0.01)	-
Net assets, end of period[4]	$8.16	$8.79	$8.25

Series A Units - Ratios/Supplemental Data

For the periods ended	2017	2016	2015
Total net asset value	$373,784	$470,433	$46,143
Number of units outstanding	45,832	53,522	5,594
Management expense ratio[5]	2.84% *	2.83%	2.85% *
Management expense ratio before waivers or absorptions[5]	22.06% *	27.83%	85.28% *
Trading expense ratio[6]	0.04% *	0.16%	0.36% *
Portfolio turnover rate[7]	6.77%	43.57%	0.00%
Net asset value per unit	$8.16	$8.79	$8.25

Series F Units - Net Assets per unit[1(a)]

For the periods ended	2017	2016	2015
Net assets, beginning of the period	$8.87	$8.28	$10.00 [†1(b)]
Increase (decrease) from operations:			
Total revenue	0.05	0.10	0.14
Total expenses	(0.08)	(0.16)	(0.08)
Realized gains (losses)	-	0.44	(0.08)
Unrealized gains (losses)	(0.55)	0.38	(1.71)
Total increase (decrease) from operations[2]	(0.58)	0.76	(1.73)
Distributions to unitholders:			
From income	-	-	-
From dividends	-	(0.06)	-
From capital gains	(0.11)	-	-
Return of capital	-	-	-
Total annual distributions[3]	(0.11)	(0.06)	-
Net assets, end of period[4]	$8.22	$8.87	$8.28

Series F Units - Ratios/Supplemental Data

For the periods ended	2017	2016	2015
Total net asset value	$211,879	$171,350	$111,150
Number of units outstanding	25,767	19,316	13,417
Management expense ratio[5]	1.69% *	1.70%	1.74% *
Management expense ratio before waivers or absorptions[5]	20.91% *	26.70%	84.29% *
Trading expense ratio[6]	0.04% *	0.16%	0.36% *
Portfolio turnover rate[7]	6.77%	43.57%	0.00%
Net asset value per unit	$8.22	$8.87	$8.28

† Initial offering price

** Annualized*

Explanatory Notes

1. a) This information for March 31, 2017 is derived from the Fund's unaudited semi-annual financial statements and for September 30, 2016 and 2015, the information is derived from audited annual financial statements prepared in accordance with International Financial Reporting Standards.

   b) The following series of the Fund commenced operations on the following dates, which represents the date upon which securities of a series were first purchased by investors.

Series A Units	May 19, 2015
Series F Units	May 19, 2015

2. Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted daily average number of units outstanding over the financial period.

3. Distributions are paid out in cash/reinvested in additional units of the Fund, or both.

4. This is not a reconciliation of the beginning and ending net assets per unit.

5. The management expense ratio is based on total expenses (excluding foreign withholding taxes, commissions and other portfolio transaction costs, but including management fee distributions paid to certain unitholders in the form of additional units, as applicable) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Manager may absorb certain expenses otherwise payable by the Fund. The amount of expenses absorbed is determined annually at the discretion of the Manager.

6. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the daily average net asset value of the Fund.

7. The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

   Portfolio turnover rate is calculated based on the lesser of the cumulative cost of purchases or cumulative proceeds of sales divided by the average market value of the portfolio, excluding short-term investments.

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Portland Investment Counsel Inc., 1375 Kerns Road, Suite 100, Burlington, Ontario L7P 4V7 Tel:1-888-710-4242 • Fax: 1-866-722-4242
www.portlandic.com • info@portlandic.com

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