FIRST QUARTER REPORT

FISCAL 2016

NARRATIVE DISCUSSION

BASIS OF PRESENTATION

The Royal Canadian Mint (the "Mint") has prepared this report as required by section 131.1 of the *Financial Administration Act*[1] using the standard issued by the Treasury Board of Canada Secretariat. This narrative should be read in conjunction with the unaudited condensed consolidated financial statements.

The Mint has prepared these unaudited condensed consolidated financial statements for the 13 weeks ended April 2, 2016, and March 28, 2015, in compliance with International Financial Reporting Standards (IFRS).

This report contains forward-looking statements about the Mint's strategy and expected financial and operational results. Forward-looking statements are based on the following broad assumptions: Government of Canada approval of the Mint's 2015-2019 and 2016-2020 Corporate Plans and no change to the Mint's current mandate. Key risks and uncertainties are described in Outlook and Risk Update section of this report. However, some risks and uncertainties are by definition difficult to predict and beyond our control. They include, but are not limited to, economic, competition, financial, foreign exchange, precious metal and base metal, technology and regulatory conditions. These factors may cause actual results to differ substantially from the expectations stated or implied in forward-looking statements.

HIGHLIGHTS

- Demand for the Mint's gold and silver bullion products remains strong, driving consolidated revenue for the 13 weeks ended April 2, 2016, up 22.0% over revenue in the same quarter in 2015.
- Numismatic revenue was negatively impacted in the first quarter of 2016 by an adjustment of $8.7 million to address increased returns in the last two quarters.
- The Mint secured foreign circulation contracts to produce 1.124 billion coins and blanks, including 1.05 billion coins for a country in Africa.
- The Mint declared and paid a $31.0 million dividend to the Government of Canada as a result of its strong operating performance in 2015.

[1] Financial Administration Act, R.S.C., 1985, c. F-11

- The Mint is on track to achieve the financial goals established in the 2016-2020 Corporate Plan.

PERFORMANCE

To achieve its objectives, the Mint strives to continually improve profitability through prudent financial management and efficient operations. The Mint measures its performance by using metrics meaningful to customers, business partners and employees. The measures below allow the Mint to monitor its capacity to improve performance and create value.

Consolidated results and financial performance
(in CAD $ millions for the periods ended April 2, 2016 and March 28, 2015)

	13 weeks ended			
	2-Apr-16	28-Mar-15	$ Change	% Change
Revenue	780.9	640.1	140.8	22.0
Profit before taxes	13.2	15.7	(2.5)	(15.9)
Profit after taxes	9.9	11.7	(1.8)	(15.4)

	As at			
	2-Apr-16	31-Dec-15	$ Change	% Change
Cash	92.5	140.8	(48.3)	(34.3)
Inventories	86.1	78.6	7.5	9.5
Capital assets	185.3	188.0	(2.7)	(1.4)
Total assets	398.6	438.8	(40.2)	(9.2)
Working capital	114.5	129.9	(15.4)	(11.9)

Note: The Mint's fiscal year ends on December 31.

CONSOLIDATED OVERVIEW

Consolidated revenue for the 13 weeks ended April 2, 2016, increased 22.0% to $780.9 million from $640.1 million in the same period in 2015. The increase was driven primarily by the increase in demand for gold and silver products, primarily Gold Maple Leaf (GML) and Silver Maple Leave (SML) coins.

Operating expenses for the quarter declined 4.7% to $32.1 million from $33.7 million in the same quarter in the prior year. The decline is mainly due to lower marketing expenses.

Foreign exchange gains increased to $2.8 million from $0.03 million compared to the same period of the prior year mainly due to the appreciation of the Canadian dollar during the quarter.

Consolidated profit before taxes declined 15.9% to $13.2 million from $15.7 million in the same period in 2015 primarily due to an increase in provisions for estimated sales returns.

The Mint declared and paid a $31.0 million dividend to the Government of Canada as a result of its strong operating performance in 2015.

See page 7 for a discussion of liquidity and capital resources.

Revenue by Program and Business

(in CAD$ millions for the periods ended April 2, 2016 and March 28, 2015)

	13 weeks ended			
	02-Apr-16	28-Mar-15	$ Change	% Change
Canadian Circulation Program	$ 20.5	$ 21.1	$ (0.6)	(2.8)%
Circulation Products and Solutions	6.4	14.4	(8.0)	(55.6)%
Bullion Products and Services	712.5	559.6	152.9	27.3%
Numismatics	41.5	45.0	(3.5)	(7.8)%

Operating Highlights and Analysis of Results

The Mint's businesses were realigned during 2015 to better reflect the Memorandum of Understanding (MOU) with the Department of Finance and the opportunities in the individual businesses. The former Foreign Business line has been amalgamated with the Alloy Recovery Program to form the Circulation Products and Solutions business. The former Bullion, Refinery and ETR business line has been renamed Bullion Products and Services.

Canadian Circulation Program

The Mint's core mandate is the management of the Canadian circulation coinage system. It accomplishes this by continuously monitoring and forecasting supply and demand; collaborating with Canadian financial institutions, armoured car companies and other key stakeholders to manage the distribution of coins across the country; processing and recycling existing coins; and producing new coins when required. It is also responsible for safeguarding the integrity of Canada's coinage through ongoing research, development and implementation of increasingly sophisticated security features.

Explanation of results

During the 13 weeks ended April 2, 2016, net demand for Canadian circulation coins was stable at 866.0 million coins compared to 873.0 million in the same period in 2015. Demand was met through three main sources of supply:

- The surplus coins held by major financial institutions across Canada: During the quarter, these inventories decreased to 774.7 million coins compared to 805.0 million coins during the same quarter in 2015.

- Recycled coins: The volume of coins recycled increased to 151.4 million pieces during the first quarter of 2016 compared to 132.0 million in the same quarter in 2015. A significant portion of the increase in Recycling volumes can be attributed to the participation by two major Canadian Financial Institutions in coin recycling programs at their branches.

- New coins produced: During the quarter, the Mint produced 138.4 million coins compared to 64.3 million in the first quarter of 2015. The increased production is to rebuild inventories to target levels, for higher demand anticipated over the summer and holidays later in the year.

The efficient management of the coinage system that ensures no shortages of coins is achieved hand-in-hand with the celebration of Canada's history, culture and values. During the 13 weeks ended April 2, 2016, the Mint released 5.0 million commemorative coins, including a one-dollar coin commemorating the 100^{th} anniversary of women's right to vote in Canada.

Circulation Products and Solutions

Circulation Products and Solutions (CP&S) produces and supplies finished coins, coin blanks and tokens to customers around the world, including central banks, mints, monetary authorities and finance ministries. These contracts leverage the infrastructure and expertise in our Winnipeg manufacturing facility. Domestically, CP&S is responsible for the Alloy Recovery Program (ARP) under which older-composition Canadian coins are removed from circulation and replaced by multi-ply plated steel (MPPS) coins, which are more durable and secure.

Explanation of results

Revenue in the CP&S business declined 55.6% to $6.4 million during the 13 weeks ended April 2, 2016 compared to $14.4 million in the same quarter in 2015. Revenue from foreign circulation sales declined 63.5% to $3.8 million from $10.4 million in Q1 2015. Revenue from ARP declined 35.0% to $2.6 million from $4.0 million in the first quarter of 2015.

Foreign circulation revenue reflects the shipment of 67.3 million coins and blanks to six countries during the quarter compared to 344.7 million coins and blanks to nine countries during the same period in 2015. The decline reflects the completion of several large contracts in the first quarter of 2015. During the first quarter of 2016, the Mint secured five contracts to produce 1.124 billion coins and blanks, including a contract to produce 1.05 billion coins for a country in Africa.

ARP revenue reflects a 33.3% decline in volumes and a significant reduction in nickel metal prices versus the same period last year.

Bullion Products and Services

The Bullion Products & Services business provides customers with market-leading precious metal investment coin and bar products supported by integrated precious metal refining and storage solutions. The Canadian Gold and Silver Reserves ETR products listed on the Toronto Stock Exchange allow retail and institutional investors to access precious metals stored at the Mint while reducing Mint lease costs.

Explanation of results

Bullion revenues for the first 13 weeks of 2016 increased 27.3% to $712.5 million from $559.6 million in the same period in 2015. Sales of gold coins, mostly GML coins, increased 18.7% to 212.6 thousand ounces from 179.1 thousand ounces in the first quarter of 2015. Sales of silver coins, mostly SML coins, increased 19.3% to 10.6 million ounces from 8.9 million ounces from the same quarter in 2015.

Sales of silver bullion have been driven for several quarters by demand that exceeds supply in North America and Europe. Demand for the Mint's silver products was further accelerated by the release of the Roaring Cougar, the newest coin in the Predator series. Demand for gold bullion was strong in the first two months of 2016, but softened slightly in March.

After a successful North American launch, the Mint introduced its Bullion DNA (Digital Non-destructive Activation) Anti-Counterfeiting Technology to the European market. The Mint's Bullion DNA counter-top device, which allows genuine GML and SML bullion coins to be certified in-store, was unveiled before European bullion dealers and distributors gathered at the 2016 World Money Fair in Berlin, Germany. This technology helps to protect the integrity of Mint-branded bullion products and strengthen our relationships in the global market. The Mint began shipping the Bullion DNA device during the first quarter of 2016.

Numismatics

The Numismatics business creates and sells collectible coins and medals to customers in Canada and around the world. Due to world-class designs, the Mint's global leadership in the art and science of minting is consistently recognized with prestigious international awards. Mint.ca continues to rank among the top destinations for online numismatic coin purchases.

Explanation of results

Numismatics revenue declined 7.8% to $41.5 million during the 13 weeks ended April 2, 2016 compared to $45.0 million in the first quarter of 2015. During the quarter, the Mint issued 57 new products and achieved 14 sellouts compared to 51 new products issued and 13 sellouts in the same period of 2015.

Demand for the Mint's gold and silver numismatic coins had a significant impact on performance. During the first quarter of 2016, sales of numismatic gold products increased 73.1% to $14.3 million compared to $8.2 million in the same period in 2015. Sales of numismatic silver products declined 5.7% to $31.0 million compared to $32.8 million in 2015.

Numismatic revenue was negatively impacted in the first quarter of 2016 by an adjustment of $8.7 million to address increased returns of face value coins in the last two quarters. Management will continue to monitor the performance of the face value program, and is currently implementing actions to help mitigate sales returns in the future. For additional information, see Note 10 to unaudited condensed consolidated financial statements.

Best-in-class craftsmanship, innovation and quality of the Mint's products are the foundation of the business's success. During the first quarter, the Mint introduced several new coin shapes and innovations to bring multiple stories of Canada to life. The Mint's first concave coin commemorates the 140th anniversary of the Library of Parliament while its first egg-shaped coin was released to celebrate the 125th anniversary of Ukrainian settlements in Canada. The Mint also launched a series of coins on the release of *Batman V. Superman: Dawn of Justice™,* including a lenticular coin on which the silhouette of Superman™ seamlessly transitions to the shadowy figure of Batman™.

LIQUIDITY AND CAPITAL RESOURCES

During the quarter the Mint's cash balance declined to $92.5 million at April 2, 2016 from $140.8 million at December 31, 2015. The decline was mainly due to a dividend payment of $31.0 million to the Government of Canada due to the Mint's strong operating performance in 2015. Inventories increased to $88.2 million from $78.6 million at December 31, 2015. The increase in inventories is due to the purchase of precious metals to meet the anticipated growth in demand in the coming quarter and an increase in foreign circulation inventory for pending shipments. Working capital declined to $114.5 million from $129.9 million at December 31, 2015. The decline is due to the lower cash position at April 2, 2016 and increase in liability.

Consolidated total assets decreased by 8.7% to $400.8 million at April 2, 2016 compared to $438.8 million at December 31, 2015.

Capital expenditures during the quarter declined to $2.1 million from $4.0 million during the same period in 2015. The variance reflects the completion of several major projects.

RISKS TO PERFORMANCE

The Mint's performance is influenced by many factors, including competitive pressures, economic conditions and volatility in financial and commodity markets. A significant portion of

Mint's revenues and costs is denominated in foreign currencies, mainly US dollars, which expose the Mint to foreign exchange risk. The Mint mitigates this risk through a variety of risk management strategies, including natural currency and financial instrument hedges of a portion of its US dollar denominated net cash flows.

Numismatic product risk

In the quarter, product returns in Numismatics increased. Management has taken action to mitigate risk associated with these returns and will continue to monitor returns over the course of the year.

There has not been any material change to any other risks to performance discussed in the Management's Discussion and Analysis in the 2015 Annual Report.

OUTLOOK

The operating and financial results achieved during the 13 weeks ended April 2, 2016, indicate the Corporation is on track to achieve the financial goals established in the 2016-2020 Corporate Plan pending approval from the Government of Canada.

Statement of Management Responsibility by Senior Officials

Management is responsible for the preparation and fair presentation of these condensed consolidated quarterly financial statements in accordance with *IAS 34 Interim Financial Reporting* and requirements in the Treasury Board of Canada *Standard on Quarterly Financial Reports for Crown Corporations* and for such internal controls as management determines is necessary to enable the preparation of condensed consolidated quarterly financial statements that are free from material misstatement. Management is also responsible for ensuring all other information in this quarterly financial report is consistent, where appropriate, with the condensed consolidated quarterly financial statements.

To the best of our knowledge, these unaudited condensed consolidated quarterly financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the corporation, as at the date of and for the periods presented in the condensed consolidated quarterly financial statements.

Sandra L. Hanington	Jennifer Camelon, CPA, CA
President and Chief Executive Officer	*Chief Financial Officer and*
	Vice-President, Finance and Administration

Ottawa, Canada

May 17, 2016

ROYAL CANADIAN MINT
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Unaudited

(CAD$ thousands)

		As at	
	Notes	**April 2, 2016**	December 31, 2015
Assets			
Current Assets			
Cash	5	**$ 92,529**	$ 140,776
Accounts receivable	6	**24,022**	22,946
Prepaid expenses		**4,706**	4,821
Income taxes receivable		**3,860**	2,891
Inventories	7	**86,059**	78,570
Derivative financial assets	8	**1,871**	756
Total current assets		**213,047**	250,760
Non-current assets			
Derivative financial assets	8	**208**	**-**
Property, plant and equipment	9	**170,329**	172,597
Investment property		**236**	236
Intangible assets	9	**14,811**	15,211
Total non-current assets		**185,584**	188,044
Total assets		**$ 398,631**	$ 438,804
Curent Liabilities			
Accounts payable and accrued liabilities	10	**$ 74,318**	$ 85,771
Loans payable		**7,579**	7,526
Deferred revenue		**8,709**	8,656
Income taxes payable		**3,268**	4,828
Employee benefits	11	**2,747**	2,697
Derivative financial liabilities	8	**1,914**	11,414
Total current liabilities		**98,535**	120,892
Non-current liabilities			
Derivative financial liabilities	8	**3,195**	4,096
Loans payable		**26,988**	26,987
Deferred tax liabilities		**1,552**	564
Employee benefits		**10,439**	10,439
Total non-current liabilities		**42,174**	42,086
Total liabilities		**140,709**	162,978
Shareholder's equity			
Share capital (authorised and issued 4,000 non-transferable shares)		**40,000**	40,000
Retained earnings		**221,567**	242,655
Accumulated other comprehensive (loss)		**(3,645)**	(6,829)
Total shareholder's equity		**257,922**	275,826
Total liabilities and shareholder's equity		**$ 398,631**	$ 438,804

Commitments, contingencies and guarantees (Note 17)

The accompanying notes are an integral part of these condensed consolidated financial statements.

ROYAL CANADIAN MINT
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Unaudited

(CAD$ thousands)

		13 weeks ended	
	Notes	**April 2, 2016**	March 28, 2015
Revenue	12	**$ 780,921**	$ 640,126
Cost of sales	13, 14, 15	**738,468**	590,643
Gross profit		**42,453**	49,483
Operating expenses			
Marketing and sales expenses	13, 14, 15	**17,388**	18,811
Administration expenses	13, 14, 15	**14,694**	14,849
Operating expenses		**32,082**	33,660
Net foreign exchange gains		**2,843**	30
Operating profit		**13,214**	15,853
Finance (costs)		**(16)**	(145)
Profit before income tax		**13,198**	15,708
Income tax expense		**3,286**	4,042
Profit for the period		**9,912**	11,666
Items that will be reclassified subsequently to profit or loss:			
Net unrealized gains (losses) on cash flow hedges		**2,831**	(2,638)
Reclassification of net realized losses on cash flow hedges transferred from other comprehensive income		**353**	1,539
Other comprehensive income (loss), net of tax		**3,184**	(1,099)
Total comprehensive income		**$ 13,096**	$ 10,567

The accompanying notes are an integral part of these condensed consolidated financial statements.

ROYAL CANADIAN MINT
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Unaudited

13 weeks ended April 2, 2016 (CAD$ thousands)

	Share Capital	Retained earnings	Accumulated other comprehensive (loss) (Net gains(losses) on cash flow hedges)	Total
Balance as at December 31, 2015	$ 40,000	$ 242,655	$ (6,829)	$ 275,826
Profit (loss) for the period	**-**	**9,912**	**-**	**9,912**
Other comprehensive income (loss), net of tax	**-**	**-**	**3,184**	**3,184**
Dividends paid	**-**	**(31,000)**	**-**	**(31,000)**
Balance as at April 2, 2016	**$ 40,000**	**$ 221,567**	**$ (3,645)**	**$ 257,922**

13 weeks ended March 28, 2015 (CAD$ thousands)

	Share Capital	Retained earnings	Accumulated other comprehensive (loss) (Net gains(losses) on cash flow hedges)	Total
Balance as at December 31, 2014	$ 40,000	$ 295,421	$ (1,604)	$ 333,817
Profit (loss) for the period	-	11,666	-	11,666
Other comprehensive income (loss), net of tax	-	-	(1,099)	(1,099)
Balance as at March 28, 2015	$ 40,000	$ 307,087	$ (2,703)	344,384

The accompanying notes are an integral part of these condensed consolidated financial statements.

ROYAL CANADIAN MINT
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
Unaudited

(CAD$ thousands)

	13 weeks ended	
	April 2, 2016	March 28, 2015
Cash flows from operating activities		
Receipts from customers	**$ 582,486**	$ 494,679
Payments to suppliers and employees	**(604,646)**	(485,080)
Interest paid	**(148)**	(150)
Cash receipts on derivative contracts	**280,872**	111,889
Cash payments on derivative contracts	**(266,654)**	(95,419)
Income taxes paid	**(5,596)**	(3,195)
Net cash (used) generated by operating activities	**(13,686)**	22,724
Cash flows from investing activities		
Interest received	**471**	411
Cash receipts on derivative contracts to acquire property, plant and equipment and intangible assets	**1,029**	-
Cash payments on derivative contracts to acquire property, plant and equipment and intangible assets	**(1,189)**	-
Payments to acquire property, plant and equipment and intangible assets	**(3,238)**	(7,749)
Net cash used in investing activities	**(2,927)**	(7,338)
Cash flows from financing activities		
Dividend paid	**(31,000)**	-
Net cash used in financing activities	**(31,000)**	-
Net (decrease) increase in cash	**(47,613)**	15,386
Cash at the beginning of the period	**140,776**	104,153
Effects of exchange rate changes on cash held in foreign currencies	**(634)**	927
Cash at the end of the period	**$ 92,529**	$ 120,466

The accompanying notes are an integral part of these condensed consolidated financial statements.

1. NATURE AND DESCRIPTION OF THE CORPORATION

The Royal Canadian Mint (the "Mint" or the "Corporation") was incorporated in 1969 by the *Royal Canadian Mint Act* to mint coins and carry out other related activities. The Mint is an agent corporation of Her Majesty named in Part II of Schedule III to the *Financial Administration Act*. It produces all of the circulation coins used in Canada and manages the support distribution system for the Government of Canada.

On December 16, 2014, the Royal *Canadian Mint Act* was amended to specify that although the object of the Mint is to operate in the expectation of profit, it shall no longer anticipate profit with respect to the provision of any goods or services to Her Majesty in right of Canada, including the minting of circulation coins.

In July 2015, the Corporation was issued a directive (P.C. 2015-1107) pursuant to section 89 of the *Financial Administration Act* to align its travel, hospitality, conference and event expenditure policies, guidelines and practices with Treasury Board policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligations, and to report on the implementation of this directive in the Corporation's next corporate plan. The Corporation has fulfilled this directive and implemented a new integrated Corporate Travel, Hospitality, Conference and Event policy effective February 29, 2016.

The Mint is one of the world's foremost producers of circulation, collector and bullion investment coins for the domestic and international marketplace. It is also one of the largest gold refiners in the world. The addresses of its registered office and principal place of business are 320 Sussex Drive, Ottawa, Ontario, Canada, K1A 0G8 and 520 Lagimodière Blvd, Winnipeg, Manitoba, Canada, R2J 3E7.

In 2002, the Mint incorporated RCMH-MRCF Inc., a wholly-owned subsidiary. RCMH-MRCF Inc. has been operationally inactive since December 31, 2008.

The Corporation is a prescribed federal Crown corporation for tax purposes and is subject to federal income taxes under the *Income Tax Act*.

2. BASIS OF PRESENTATION

2.1 Statement of Compliance

These interim condensed consolidated financial statements have been prepared in accordance with *IAS 34 Interim Financial Reporting ("IAS 34")* of the *International Financial Reporting Standards ("IFRS")* and the *Standard on Quarterly Financial Reports for Crown Corporations* issued by the Treasury Board of Canada. As permitted under this standard, these interim condensed consolidated financial statements do not include all of the disclosure requirements for annual consolidated financial statements, and should be read in conjunction with the Corporation's audited consolidated financial statements for its fiscal year ended December 31, 2015.

These interim condensed consolidated financial statements have not been audited or reviewed by an external auditor.

These interim condensed consolidated financial statements have been approved for public release by the Board of Directors of the Corporation on May 17, 2016.

2.2 Basis of presentation

The interim condensed consolidated financial statements were prepared on the historical cost basis, except for derivative instruments which were measured at fair value and the defined benefit plan and other long-term benefits which were measured at the actuarial valuation amount. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Although the Corporation's year end of December 31 matches the calendar year end, the Corporation's quarter end dates do not necessarily coincide with calendar year quarters; instead, each of the Corporation's quarters contains 13 weeks.

2.3 Consolidation

The interim condensed consolidated financial statements incorporate the interim financial statements of the Corporation and its wholly-owned subsidiary. The subsidiary's accounting policies are in line with those used by the Corporation. All intercompany transactions, balances, income and expenses are eliminated in full on consolidation.

2.4 Functional and presentation currency

Unless otherwise stated, all figures reported in the interim condensed consolidated financial statements and disclosures are reflected in thousands of Canadian dollars (CAD$), which is the functional currency of the Corporation.

2.5 Significant accounting policies

Significant accounting policies applied in these interim condensed consolidated financial statements are disclosed in Note 2 of the Corporation's annual consolidated financial statements for the year ended December 31, 2015. The accounting policies have been applied consistently in the current and comparative periods.

3. Key sources of estimation uncertainty and critical judgments

The preparation of these interim condensed consolidated financial statements requires management to make critical judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses during the reporting period.

In making critical judgements, estimates and using assumptions, management relies on external information and observable conditions where possible, supplemented by internal analysis as required. The judgements, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ significantly from the estimates and assumptions. The estimates and underlying assumptions are reviewed on an ongoing basis.

As noted in the Corporation's audited consolidated financial statements for its fiscal year ended December 31, 2015, revenue is presented net of customer returns, rebates and other similar allowances. As a result, management is required to make judgments with respect to the expected return rate and the net realizable value of those returned items. Details of the provision for estimated sales returns and allowances are included in Note 10.

4. APPLICATION OF NEW AND REVISED IFRS

4.1 New and revised IFRS affecting amounts reported and/or disclosed in the consolidated financial statements

There were no new or revised IFRS issued by the International Accounting Standards Board (IASB) that became effective during the 13 weeks ended April 2, 2016 that affected amounts reported or disclosed in the interim condensed consolidated financial statements.

4.2 New and revised IFRS pronouncements issued but not yet effective

The following amendments have been assessed as having a possible impact on the Corporation's consolidated financial statements in the future. The Corporation is currently assessing these amendments and therefore the extent of the impact of the adoption of the amendments is unknown.

IAS 12 Income Taxes

An amendment was released in January 2016 to IAS12 regarding the recognition of deferred tax assets for unrealised losses. The amendment is effective for annual periods beginning on or after January 1, 2017.

IAS 7 Statement of Cash Flows

An amendment was released in January 2016 to IAS 7 Statement of Cash Flows which clarified that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment is effective for annual periods beginning on or after January 1, 2017.

IFRS 9 Financial Instruments ("IFRS 9")
In July 2014, the IASB issued the final version of IFRS 9, which incorporates the classification and measurement, impairment and hedge accounting phases of the project to replace the existing standards under IAS39 "Financial Instruments: Recognition and Measurement". The new IFRS 9 standard is effective for annual periods beginning on or after January 1, 2018 and is to be applied retroactively. Early adoption is permitted.

IFRS 7 Financial Instruments: Disclosures ("IFRS 7")
An amendment was released in December 2011 to IFRS 7 regarding requiring disclosures about the initial application of IFRS 9 which has an effective date of January 1, 2018. The amendments are to be applied retrospectively.

An additional amendment was released in November 2013 to IFRS 7 regarding additional hedge accounting disclosures resulting from the introduction of the hedge accounting section of IFRS 9 which has an effective date of January 1, 2018. The amendments are to be applied retrospectively.

IFRS 15 Revenue from Contracts with Customers ("IFRS 15")
IFRS 15 was issued in May 2014 and specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18 "Revenue", IAS 11 "Construction Contracts" and a number of revenue-related interpretations. Application of the standard is mandatory for all IFRS reporters and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. In July 2015, the IASB deferred the effective date of IFRS 15 to January 1, 2018. Early adoption is permitted.

IFRS 16 Leases
IFRS 16 Leases was issued on January 13, 2016 to replace IAS 17 Leases. The new standard requires that leases be brought onto companies' balance sheets, increasing the visibility of their assets and liabilities. IFRS 16 removes the classification of leases as either operating leases or finance leases (for the lessee-the lease customer), treating all leases as finance leases. Short-term leases (less than 12 months) and leases of low-value assets (such as personal computers) will have an optional exemption from the requirements. The new standard is effective January 1, 2019. Early adoption is permitted (as long as the recently issued revenue Standard, IFRS 15 Revenue from Contracts with Customers is also adopted).

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

5. CASH

	As at	
	April 2, 2016	December 31, 2015
Canadian dollars	**$ 82,184**	$ 128,676
US dollars	**9,883**	11,146
Euros	**462**	954
Total cash	**$ 92,529**	$ 140,776

6. ACCOUNTS RECEIVABLE

	As at	
	April 2, 2016	December 31, 2015
Trade receivables and accruals	**$ 22,537**	$ 20,632
Allowance for doubtful accounts	**(81)**	(81)
Net trade receivables	**22,456**	20,551
Other receivables	**1,566**	2,395
Total accounts receivable	**$ 24,022**	$ 22,946

The Corporation's accounts receivable are denominated in the following currencies:

	As at	
	April 2, 2016	December 31, 2015
Canadian dollars	**$ 19,096**	$ 15,067
US dollars	**4,920**	7,873
Euros	**6**	6
Total accounts receivable	**$ 24,022**	$ 22,946

The Corporation does not hold any collateral in respect of trade and other receivables.

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

7. INVENTORIES

	As at	
	April 2, 2016	December 31, 2015
Raw materials and supplies	**$ 11,926**	$ 10,976
Work in process	**20,913**	20,287
Finished goods	**53,220**	47,307
Total inventories	**$ 86,059**	$ 78,570

The amount of inventories recognized as cost of sales for the 13 week ended April 2, 2016 was $744 million (13 weeks ended – March 28, 2015 - $602 million).

The cost of inventories recognized as cost of sales for the 13 weeks ended April 2, 2016 include $974 thousand of write-downs of inventory to net realisable value (13 weeks ended March 28, 2015 - $1.2 million).

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

8.1 Classification and fair value measurements of financial instruments

8.1.1 Classification and fair value techniques of financial instruments

The Corporation holds financial instruments in the form of cash, accounts receivable, derivative assets, accounts payable and accrued liabilities, loans payable and derivative liabilities.

The Corporation has estimated the fair values of its financial instruments as follows:

i) The carrying amounts of cash, accounts receivable and accounts payable and accrued liabilities approximate their fair values as a result of the relatively short-term nature of these financial instruments.

ii) The fair values of loans payables are estimated based on a discounted cash flow approach using current market rates appropriate as at the respective date presented.

iii) The fair values of the Corporation's foreign currency forward contracts, commodity swap and forward contracts and other derivative instruments are based on estimated credit-adjusted forward market prices. The Corporation takes counterparty risk and its own risk into consideration for the fair value of financial instruments.

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

The table below details the types of derivative financial instruments carried at fair value:

	As at	
	April 2, 2016	December 31, 2015
Derivative financial assets		
Foreign currency forwards	**$ 2,079**	$ 756
	$ 2,079	$ 756
Derivative financial liabilities		
Foreign currency forwards	**$ 4,343**	$ 14,826
Interest rate swaps	**766**	684
	$ 5,109	$ 15,510

8.1.2 Fair value hierarchy

Financial instruments, other than those that are not subsequently measured at fair value and for which fair value approximates carrying value, whether or not they are carried at fair value in the consolidated statement of financial position, must disclose their fair value and be classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value measurement of cash is classified as Level 1 of the fair value hierarchy as at April 2, 2016 and December 31, 2015. The fair value measurements of all other financial instruments held by the Corporation are classified as Level 2 of the fair value hierarchy as at April 2, 2016 and December 31, 2015. There were no transfers of financial instruments between levels for the 13 weeks ended April 2, 2016.

8.2 Financial risk management objectives and framework

The Corporation is exposed to credit risk, liquidity risk and market risk from its use of financial instruments.

The Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Audit Committee assists the Board of Directors and is responsible for review, approval and monitoring the Corporation's risk management policies including the development of an Enterprise Risk Management program which involves establishing corporate risk tolerance, identifying and measuring the impact of various risks, and developing risk management action plans to mitigate risks that exceed corporate risk tolerance. The Audit Committee reports regularly to the Board of Directors on its activities.

8.2.1 Credit risk management

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's receivables from customers, cash and derivative instruments. The Corporation has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Corporation's exposure and the credit ratings of its counterparties are continuously monitored.

The carrying amount of financial assets recorded in the interim condensed consolidated financial statements represents the maximum credit exposure.

8.2.2 Liquidity risk
Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk by continuously monitoring actual and forecasted cash flows to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Corporation's reputation.

8.2.3 Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates or commodity price changes will affect the Corporation's income or the fair value of its financial instruments.

The Corporation uses derivative instruments, such as foreign currency forward contracts, interest rate exchange agreements and commodity swap and forward contracts to manage the Corporation's exposure to fluctuations in cash flows resulting from foreign exchange risk, interest rate risk and commodity price risk. The Corporation buys and sells derivatives in the ordinary course of business and all such transactions are carried out within the guidelines set out in established policies. The Corporation's policy is not to enter into derivative instruments for trading or speculative purposes.

Foreign exchange risk
The Corporation is exposed to foreign exchange risk on sales and purchase transactions that are denominated in foreign currencies primarily including US dollars and Euros. The Corporation manages its exposure to exchange rate fluctuations between the foreign currency and the Canadian dollar by entering into foreign currency forward contracts and by applying hedge accounting to certain qualifying contracts to minimize the volatility to profit or loss. The Corporation also uses such contracts in the process of managing its overall cash requirements.

The impact of foreign exchange risk fluctuation on the consolidated financial statements is not significant because the Corporation's un-hedged net foreign exchange exposure is not significant.

Interest rate risk
Financial assets and financial liabilities with variable interest rates expose the Corporation to cash flow interest rate risk. There is no interest rate risk related to cash as there are no short-term investments as at the dates presented. The Corporation's Bankers Acceptance interest rate swap loan instruments expose the Corporation to cash flow interest rate risk. The Corporation has fully hedged the exposure to fluctuations in interest rates related to these instruments by entering into corresponding interest rate swaps, where the Corporation pays a fixed interest rate in exchange for

receiving a floating interest rate. The interest rate swaps are designated as hedging instruments under the cash flow hedge accounting model.

Financial assets and financial liabilities that bear interest at fixed rates are subject to fair value interest rate risk. The Corporation does not account for its fixed rate debt instruments as held for trading; therefore, a change in interest rates at the reporting date would not affect profit or loss with respect to these fixed rate instruments. The Corporation's interest rate swaps expose the Corporation to fair value interest rate risk.

Commodity price risk
The Corporation is exposed to commodity price risk on its purchase and sale of precious metals including gold, silver, platinum and palladium and base metals including nickel, copper and steel.

The Corporation is not exposed to precious metal price risk related to the bullion sales program because the purchase and sale of precious metals used in this program are completed on the same date, using the same price basis in the same currency.

For contracts that are entered into for the purpose of procuring commodities to be used in production the Corporation applies the normal purchases classification.

The impact of commodity price risk fluctuation on the consolidated financial statements is not significant because the Corporation's un-hedged commodity price risk is not significant.

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

9. CAPITAL ASSETS

9.1 Property, plant and equipment

The composition of the net book value of the Corporation's property, plant and equipment, is presented in the following tables:

	As at	
	April 2, 2016	December 31, 2015
Cost	**$ 409,018**	$ 407,413
Accumulated depreciation	**(238,689)**	(234,816)
Net book value	**$ 170,329**	$ 172,597

Net book value by asset class		
Land and land improvements	**$ 2,921**	$ 2,922
Buildings and improvements	**91,953**	93,302
Equipment	**72,968**	73,215
Capital projects in process	**2,487**	3,158
Net book value	**$ 170,329**	$ 172,597

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

Reconciliation of the opening and closing balances of property, plant and equipment for April 2, 2016:

	Land and land improvements	Buildings and improvements	Equipment	Capital projects in process	Total
Cost					
Balance at December 31, 2014	$ 4,094	$ 150,240	$ 244,968	$ 9,733	$ 409,035
Additions	-	3,451	7,899	2,890	14,240
Transfers	-	2,003	7,462	(9,465)	-
Derecognition	-	-	(11,398)	-	(11,398)
Disposals	-	-	(4,464)	-	(4,464)
Balance at December 31, 2015	4,094	155,694	244,467	3,158	407,413
Additions	**-**	**101**	**406**	**1,162**	**1,669**
Transfers	**-**	**114**	**1,719**	**(1,833)**	**-**
Disposals	**-**	**(64)**	**-**	**-**	**(64)**
Balance at April 2, 2016	**$ 4,094**	**$ 155,845**	**$ 246,592**	**$ 2,487**	**$ 409,018**
Accumulated depreciation					
Balance at December 31, 2014	$ 955	$ 17,480	$ 148,950	$ -	$ 167,385
Depreciation	(8)	5,622	11,519	-	17,133
Derecognition	-	-	(11,398)	-	(11,398)
Disposals	-	-	(3,213)	-	(3,213)
Impairment	225	39,290	25,394	-	64,909
Balance at December 31, 2015	1,172	62,392	171,252	-	234,816
Depreciation	**1**	**1,534**	**2,372**	**-**	**3,907**
Disposals	**-**	**(34)**	**-**	**-**	**(34)**
Balance at April 2, 2016	**$ 1,173**	**$ 63,892**	**$ 173,624**	**$ -**	**$ 238,689**
Net book value at April 2, 2016	**$ 2,921**	**$ 91,953**	**$ 72,968**	**$ 2,487**	**$ 170,329**

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses.

No asset is pledged as security for borrowings as at April 2, 2016.

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

9.2 Intangible assets

	As at April 2, 2016	As at December 31, 2015
Cost	**$ 30,050**	$ 29,589
Accumulated depreciation	**(15,239)**	(14,378)
Net book value	**$ 14,811**	$ 15,211

Reconciliation of the opening and closing balances of intangibles for April 2, 2016:

	Software	Value-in-Kind	Capital projects in process	Total
Cost				
Balance at December 31, 2014	$ 40,546	-	$ 1,019	$ 41,565
Additions	758	1,362	1,046	3,166
Transfers	584	-	(584)	-
Derecognition	(13,780)	(1,362)	-	(15,142)
Balance at December 31, 2015	28,108	-	1,481	29,589
Additions	**16**	**-**	**445**	**461**
Transfers	**362**	**-**	**(362)**	**-**
Balance at April 2, 2016	**$ 28,486**	**$ -**	**$ 1,564**	**$ 30,050**
Accumulated amortization				
Balance at December 31, 2014	$ 24,115	-	$ -	$ 24,115
Amortization	3,440	1,362	-	4,802
Derecognition	(13,780)	(1,362)	-	(15,142)
Impairment	603	-	-	603
Balance at December 31, 2015	14,378	-	-	14,378
Amortization	**861**	**-**	**-**	**861**
Balance at April 2, 2016	**$ 15,239**	**$ -**	**$ -**	**$ 15,239**
Net book value at April 2, 2016	**$ 13,247**	**$ -**	**$ 1,564**	**$ 14,811**

The Corporation’s intangible assets contain mainly purchased software for internal use or for providing services to customers.

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	As at	
	April 2, 2016	December 31, 2015
Accounts payable and accrued liabilities	**$ 74,318**	$ 85,771

Included in accrued liabilities at April 2, 2016 was a $7.0 million (December 31, 2015 - $2.0 million) provision for estimated sales returns and allowances. During the quarter the provision was reduced by $1.6 million for actual sales returns and increased by $6.6 million for estimated future sales returns.

11. EMPLOYEE COMPENSATION AND BENEFITS

11.1 Pension benefits

Substantially all of the employees of the Corporation are covered by the Public Service Pension plan (the “Plan”), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Corporation. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees’ required contribution. The Corporation made total contributions of $2.6 million in the 13 weeks ended April 2, 2016 (13 weeks ended March 28, 2015 - $2.1 million).

11.2 Other post-employment benefits

The Corporation provides severance benefits to its employees and also provides supplementary retirement benefits including post-retirement benefits and post retirement insurance benefits to certain employees. The benefits are accrued as the employees render the services necessary to earn them. These benefits plans are unfunded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

11.3 Other long-term employee benefits

The Corporation’s other long-term benefits include benefits for employees in receipt of long-term disability benefits, sick leave and special leave benefits and worker’s compensation benefits. These benefits plans are unfunded and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation.

12. REVENUE

	13 weeks ended	
	April 2, 2016	March 28, 2015
Revenue from the sale of goods	**$ 778,087**	$ 636,324
Revenue from the rendering of services	**2,834**	3,802
Total Revenue	**$ 780,921**	$ 640,126

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

13. DEPRECIATION AND AMORTIZATION EXPENSE

	13 weeks ended	
	April 2, 2016	March 28, 2015
Depreciation of property, plant and equipment	**$ 3,907**	$ 4,416
Amortization of intangible assets	**861**	1,110
Total depreciation and amortization expense	**$ 4,768**	$ 5,526

Depreciation and amortization expense were reclassified to operating expense as follows:

	13 weeks ended	
	April 2, 2016	March 28, 2015
Cost of sales	**$ 2,916**	$ 3,692
Marketing and sales expenses	**648**	734
Administration expenses	**1,204**	1,100
Total depreciation and amortization expense	**$ 4,768**	$ 5,526

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

14. EMPLOYEE COMPENSATION EXPENSES

	13 weeks ended	
	April 2, 2016	March 28, 2015
Included in cost of sales:		
Salaries and wages including short term employee benefits	**$ 9,226**	$ 8,716
Pension costs	**1,277**	1,224
Long term employee benefits and Post-employment benefits other than pensions	**152**	538
Included in marketing and sale expenses:		
Salaries and wages including short term employee benefits	**5,136**	4,746
Pension costs	**378**	373
Long term employee benefits and Post-employment benefits other than pensions	**59**	126
Included in cost of administration:		
Salaries and wages including short term employee benefits	**8,191**	7,895
Pension costs	**776**	705
Long term employee benefits and Post-employment benefits other than pensions	**398**	318
Termination benefits	**(51)**	537
Total employee compensation and benefits expense	**$ 25,542**	$ 25,177

15. SCIENTIFIC RESEARCH AND EXPERIMENTAL DEVELOPMENT EXPENSES, NET

	13 weeks ended	
	April 2, 2016	March 28, 2015
Research and development expenses	**$ 1,406**	$ 1,586
Scientific research and development investment tax credit	**(200)**	(200)
Research and development expenses, net	**$ 1,206**	$ 1,386

The net expenses of research and development are included in the administration expenses in the consolidated statement of comprehensive income.

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

16. RELATED PARTY TRANSACTIONS

The Corporation is related in terms of common ownership to all Government of Canada owned entities. The Corporation enters into transactions with these entities in the normal course of business, under the same terms and conditions that apply to unrelated parties. In accordance with disclosure exemption regarding “government related entities”, the Corporation is exempt from certain disclosure requirements of IAS 24 relating to its transactions and outstanding balances with:

- A government that has control, joint control or significant influence over the reporting entity; and
- Another entity that is a related party because the same government has control, joint control or significant influence over both the reporting entity and the other entity.

Transactions with related parties that are considered to be individually or collectively significant include transactions with the Government of Canada, and departments thereof and all federal Crown Corporations.

The majority of transactions with the Government of Canada were with the Department of Finance (“DOF”) related to the production, management and delivery of Canadian circulation coins which are negotiated and measured at fair value under a three year Memorandum of Understanding, where pricing is agreed to annually in the normal course of operations.

The transactions with Department of Finance are as follows:

	13 weeks ended	
	April 2, 2016	March 28, 2015
Revenue from DOF	**$ 20,507**	$ 21,122

	As at	
	April 2, 2016	December 31, 2015
Receivable from DOF	**$ 3,560**	$ 8,110

The majority of transactions with Crown corporations were for the sales of numismatic product.

Due to the retrospective application of IAS 16 at the date of transition to IFRS on January 1, 2010, depreciation expenses that have been charged under Canadian GAAP to the Department of Finance at a rate in excess of actual depreciation expenses incurred under IAS 16 have been adjusted by the amount of $8.2 million at that time. This amount was included in accounts payable and accrued liabilities on the consolidated statement of financial position since it was payable on demand by DOF. Starting in 2011, the Corporation began reducing its billing to the DOF by $0.5 million annually and the remainder of $5.7 million as at April 2, 2016 (December 31, 2014 - $6.2 million) will be deducted in future billings over the next 11 years.

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

17. COMMITMENTS, CONTINGENCIES AND GUARANTEES

17.1 Precious metal leases

In order to facilitate the production of precious metal coins and manage the risks associated with changes in metal prices, the Corporation may enter into firm fixed price purchase commitments, as well as precious metals leases. As at April 2, 2016, the Corporation had $33.4 million outstanding precious metal purchase commitments (December 31, 2015 - $47.0 million).

At the end of the period, the Corporation had entered into precious metal leases as follows:

	As at	
Ounces	**April 2, 2016**	December 31, 2015
Gold	**162,929**	321,747
Silver	**7,285,672**	6,746,665
Palladium	**6,944**	8,594
Platinum	**29,192**	13,042

The fees for these leases are based on market value. The precious metal lease payment expensed for the 13 weeks ended April 2, 2016 was $1.8 million (13 weeks ended March 28, 2015 - $1.0 million). The value of the metals under these leases has not been reflected in the Corporation's consolidated financial statements since the Corporation intends to settle these commitments through receipt or delivery of the underlying metal.

17.2 Base metal commitments

In order to facilitate the production of circulation and non-circulation coins (for Canada and other countries) and manage the risks associated with changes in metal prices, the Corporation may enter into firm fixed price purchase commitments. As at April 2, 2016, the Corporation had $25.4 million (December 31, 2015 - $22.5 million) in purchase commitments outstanding.

17.3 Trade finance bonds and bank guarantees

The Corporation has various outstanding bank guarantees and trade finance bonds associated with the production of foreign circulation coin contracts. These were issued in the normal course of business. The guarantees and bonds are delivered under standby facilities available to the Corporation through various financial institutions. Performance guarantees generally have a term up to one year depending on the applicable contract, while warranty guarantees can last up to five years. Bid bonds generally have a term of less than three months, depending on the length of the bid period for the applicable contract. The various contracts to which these guarantees or bid bonds apply generally have terms ranging from one to two years. Any potential payments which might become due under these commitments would relate to the Corporation's non-performance under the applicable contract. The Corporation does not anticipate any material payments will be required in the future. As of April 2, 2016, under the guarantees and bid bonds, the maximum potential amount of future payments was $7.5 million (December 31, 2015 - $14.4 million).

(Unaudited) (In thousands of Canadian dollars, unless otherwise indicated)

17.4 Other commitments and guarantees

The Corporation may borrow money from the Consolidated Revenue Fund or any other source, subject to the approval of the Minister of Finance with respect to the time and terms and conditions. Since March 1999, following the enactment of changes to the *Royal Canadian Mint Act*, the aggregate of the amounts loaned to the Corporation and outstanding at any time shall not exceed $75 million. For the 13 weeks ended April 2, 2016, approved short-term borrowings for working capital within this limit, were not to exceed USD$15.0 million (March 28, 2015 - CAD$25 million). The short term borrowing is restricted to USD overdraft coverage for clearing and settlement delays related to coinage and bullion sales.

To support such short-term borrowings as may be required from time to time, the Corporation has various commercial borrowing lines of credit, made available to it by Canadian financial institutions. These lines are unsecured and provide for borrowings up to 364 days in term based on negotiated rates. No amounts were borrowed under these lines of credit as at April 2, 2016 or March 28, 2015.

The Corporation has committed as at April 2, 2016 to spend approximately $3.3 million (December 31, 2015 - $4.3 million) on capital projects.

Total estimated minimum remaining future commitments are as follows:

(CAD$ thousands)	2016	2017	2018	2019	2020	2021 and Therafter	Total
Operating Leases	$ 4,973	$ 3,414	$ 3,324	$ 2,223	$ 1,985	$ 7,538	23,457
Other Commitments (no leases)	35,913	849	241	54	10	47	37,114
Total	**$ 40,886**	**$ 4,263**	**$ 3,565**	**$ 2,277**	**$ 1,995**	**$ 7,585**	**$ 60,571**

There are various legal claims against the Corporation. Claims that are uncertain in terms of the outcome or potential outflow or that are not measurable are considered to be a contingency and are not recorded in the Corporation's consolidated financial statements. A provision of $1.0 million for a potential legal obligation was included in accounts payable and accrued liabilities as at April 2, 2016 (December 31, 2015 - $0.7 million). The amount and timing of the settlement of the provision is uncertain.

18. RECLASSIFICATION

During the current year the Corporation modified the consolidated statement of comprehensive income classification of certain expenses from administration expenses to cost of sales to more appropriately reflect the nature of the expenditures. Comparative amounts provided for the prior period were reclassified for consistency.

Since the amounts are reclassifications within operating activities in the consolidated statement of comprehensive income, this reclassification did not have any effect on the consolidated statement of financial position.