Walton™

For Immediate Release

WALTON WESTPHALIA DEVELOPMENT CORPORATION REPORTS FISCAL YEAR-END AND Q4 2015 RESULTS

Calgary – April 22, 2016: Walton Westphalia Development Corporation (the **"Corporation"**) announced today its results for the fiscal year ended December 31, 2015 and for the fourth quarter of 2015. Launched in March 2012, the Corporation was formed to provide investors with the opportunity to participate in the acquisition and development of the 310-acre Westphalia Property (the "**Property**") located in Prince George's County, Maryland, United States of America.

2015 HIGHLIGHTS

During the year ended December 31 2015, the primary focus of the Corporation was to continue construction, prepare additional submittals necessary to achieve the remaining regulatory and construction approvals as described in the Corporation's prospectus in respect of its IPO issued February 27, 2012 (the "**Prospectus**") and meet with county officials to properly coordinate and discuss plans for the project. In addition, the following key activities were undertaken by the Corporation during the year:

- the Corporation received USD $1.2 million from the State Highway Administration for 4.4 acres of condemned land that will be used for the construction of the Suitland Parkway interchange;
- the Corporation received the following development permits with USD $2.8 million in bonds provided to the related agencies to be used as construction guarantees for the associated permits:
    - The street construction permit for the extension of Woodyard Road;
    - The temporary road construction permit connecting Woodyard Road extended to Melwood Road; and
    - State Highway Administration access permit for storm drain work along Pennsylvania Avenue.
- the State Highway Administration approved the Traffic Impact Study for the redesigned Woodyard Road interchange;
- NVR, Inc. (Ryan Homes) and HWR LLC (Haverford Homes) closed on their model home lots for a total of USD $1,120,000 which was used to pay down amounts owing under both the senior and mezzanine loans;
- Ryan Homes and Haverford Homes continued construction on their model showhomes - which were completed in December;
- the Corporation's U.S. Subsidiary completed initial paving of the main access road to the model showhomes;
- site grading and utilities installation in Phase 1 continued.

The U.S. Subsidiary's conditions precedent that contractually trigger the builder to start their takedown schedule include: completion of its improvements to the lots being acquired at each settlement including, but not limited to, base paving, building and other permits required for construction by the builders of homes on the lots.

Additionally, each builder, in their lot purchase contract, has slightly different conditions precedent. Conditions precedent were met in early-January 2016 for Haverford. We anticipate that the conditions precedent will be met for Ryan in early Q2 2016. At the closings of lots by builders, 100% of the proceeds are collected by the U.S. Subsidiary.

Management believes that by pursuing vertical development joint ventures and less expensive financing strategies as discussed herein, the Corporation can potentially achieve a higher internal rate of return ("**IRR**"). These IRRs are based on, among other things, achieving certain revenue targets, maintaining construction schedules and costs, the timely receipt of recoveries, third-party sales and commitments for additional lots from the builders. Further material changes to IRR projections and the projected hold period could occur due to changes in the aforementioned and other factors.

The development strategies include accelerating the development of Phase 1A, re-planning of Phases 2 and 3, including a town centre re-design to realize on current market opportunities such as a senior living component and/or flex industrial within Phases 2 and 3, and potentially undertaking vertical development joint venture participation with development partners. The financing strategies include pursuing programs such as the EB-5 Immigrant Investor Program ("**EB-5 Program**") (which would be done in conjunction with vertical development) that would allow for lower cost financing with better flexibility and working to secure Tax Increment Financing ("**TIF**") from the County. We anticipate that our EB-5 immigrant investor visa program partner (Maryland Center for Foreign Investment, LLC, or MCFI) will provide us with an option for up to $58 million in immigrant investor debt in 2016. MCFI is pre-marketing this project in Asia this spring for the purpose of attracting agencies and investors. Currently, the blended interest rate on our Phase 1 construction debt is above 8%. If we are successful with the EB-5 program, we anticipate that the blended interest rate will be lowered to 5.25%. We also propose to submit an application to Prince George's County, Maryland officials for approximately $65 million in tax increment financing bonds based on the advice of our consultants. These two alternative financing mechanisms, if successfully implemented, have the potential to decrease costs and increase the project's IRR from the current 5.7% to the low teens. This however, cannot be assured. See above for certain factors that may impact IRRs on this project.

The EB-5 program is administered by the U.S. Citizenship and Immigration Service ("**USCIS**"). Under this program, non-U.S. citizen entrepreneurs and certain members of their family are eligible to apply for a U.S. green card (permanent residence) if they meet specific investment criteria set by the USCIS. The main benefit of the EB-5 program to the Corporation is that the funds these investors could provide are relatively inexpensive debt capital that could enhance the financial viability of the Westphalia project to the benefit of its investors.

A TIF is a public financing method used for financing public infrastructure improvement projects as part of a larger development project. A municipality, through a TIF, leverages potential future gains in municipal taxes by offering the sale of bonds to the public, the proceeds of which are used to pay for the proposed infrastructure. The bonds are then paid off in the future with the increased municipal tax revenues resulting from increased development in the municipality.

Ryan Homes' construction site
June 2015

Westphalia multi-family housing
November 2015

Ryan Homes' multi-family housing completed
December 2015

Year-End and Fourth Quarter Financial Results

During the year ended December 31, 2015, the Corporation recognized revenue of $1,183,930, cost of sales of $1,023,407, resulting in gross margin of $160,523 on single-family lot sales in Phase 1. No lot sales occurred during the year ended December 31, 2014.

Total expenses decreased by $332,615 from $1,446,560 for the year ended December 31, 2014 to $1,113,945 for the year ended December 31, 2015. The decrease in other expenses was primarily due to a decrease in marketing expenses of $403,496. Marketing expenses in 2014 were higher than 2015, as 2014 marketing costs related to commencing marketing initiatives to launch the community and create builder interest. Offsetting the marketing expenses is an increase of $40,910 in professional fees due to an increase in audit fees for the 2015 audit, and an increase of $19,537 in director's fees.

Total other items increased by $2,226,399 from $1,515,680 for the year ended December 31, 2014 to $3,742,079 for the year ended December 31, 2015. The increase is primarily due to increases in foreign exchange gains of $2,000,834, which is a result of translation in the U.S. Subsidiary associated with intercompany debentures and debt the U.S. Subsidiary has with the Corporation. The intercompany debentures and debt are eliminated on consolidation. The Canadian dollar has weakened more significantly in 2015 compared to 2014 resulting in a significant unrealized gain being recorded within the U.S. Subsidiary that is not eliminated upon consolidation. Deferred tax expense has increased by $1,396,707 primarily due to the movement in the unrealized foreign exchange gains which results in deferred tax expense.

Comprehensive income increased by $3,044,039 from $1,129,933 for the year ended December 31, 2014 to $4,173,972 for the year ended December 31, 2015. The increase is due to cumulative translation gains recorded on the translation of the U.S. Subsidiary accounts from a functional currency of U.S. dollars to Canadian dollars for reporting purposes.

The Corporation did not recognize any revenue or associated cost of sales from lot sales during the fourth quarter of 2015 and during the fourth quarter of 2014. The Corporation also incurred other expenses during the fourth quarter of 2015 of $321,185 (December 31, 2014 - $800,046) and other items of $785,012 (December 31, 2014 – $532,177) for a net income/(loss) before tax of $463,827 (December 31, 2014 – ($267,869)), deferred tax recovery of $267,961 (December 31, 2014 - $81,113), and comprehensive income of $795,463 (December 31, 2014 –$219,435). The amount of other expenses incurred during the fourth quarter of 2015 decreased compared to the fourth quarter of 2014 due to additional marketing expenses in preparation for product launch in 2014. The increase in other items relates to foreign exchange gains as a result of relatively stronger weakening of the Canadian dollar in the fourth quarter of 2015 compared to the fourth quarter of 2014.

Additional Information

The Corporation is managed by Walton Asset Management L.P. and the development of the project is managed by Walton Development & Management (USA), Inc., both of which are members of the Walton Group of Companies.

The Walton Group of Companies ("**Walton**") is a multinational real estate investment, planning and development group concentrating on the research, acquisition, administration, planning and development of strategically located land in major North American growth corridors.

Walton has been in business for over 35 years and takes a long-term approach to land planning and development. Walton's industry-leading expertise in real estate investment, land planning and development uniquely positions Walton to responsibly transition land into sustainable communities where people live, work and play.

Its communities are comprehensively designed in collaboration with local residents for the benefit of community stakeholders. Its goal is to build communities that will stand the test of time: hometowns for present and future generations.

For more information about Walton Westphalia Development Corporation, please visit www.sedar.com. For more information about Walton, visit Walton.com.

-30-

For media inquiries, please contact: Ryan Kretschmer
Office: +1.480.586.9288
Email: rkretschmer@Walton.com

This news release, required by Canadian laws, does not constitute an offer of securities, and is not for distribution or dissemination outside Canada. This news release contains forward looking information, and actual future results may differ from what is disclosed in this news release. The risks, uncertainties and other factors that could influence results are described in the prospectus and other documents filed with Canadian securities regulatory authorities and available online at www.sedar.com.

Except as otherwise noted, all amounts are in Canadian dollars, and are based on audited financial statements for the year ended December 31, 2015 and related notes, prepared in accordance with International Financial Reporting Standards.