MELCOR REAL ESTATE INVESTMENT TRUST

NOTICE OF SPECIAL MEETING OF UNITHOLDERS

to be held on November 26, 2024

and

MANAGEMENT INFORMATION CIRCULAR

with respect to a proposed arrangement involving

MELCOR REAL ESTATE INVESTMENT TRUST

and

MELCOR REIT GP INC.

and

MELCOR DEVELOPMENTS LTD.

RECOMMENDATION TO UNITHOLDERS:

THE BOARD OF TRUSTEES OF MELCOR REAL ESTATE INVESTMENT TRUST (WITH CERTAIN TRUSTEES ABSTAINING) UNANIMOUSLY RECOMMENDS THAT UNITHOLDERS VOTE

FOR

THE ARRANGEMENT RESOLUTION

October 25, 2024

These materials are important and require your immediate attention. They require unitholders of Melcor Real Estate Investment Trust to make important decisions.

If you have any questions or require assistance with voting, please contact the REIT's strategic unitholder advisor and proxy solicitation agent: Laurel Hill Advisory Group, which can be reached by toll-free telephone in North America at 1-877-452-7184 outside North America at 1 416-304-0211, or by email at assistance@laurelhill.com.

October 25, 2024

Dear Voting Unitholders:

On behalf of the board of trustees (the "**REIT Board**") of Melcor Real Estate Investment Trust (the "**REIT**"), I am pleased to invite you to attend a special meeting ("**Meeting**") of the holders of units ("**Units**") and special voting units ("**SVUs**" and together with Units, the "**Voting Units**") of the REIT (collectively, "**Voting Unitholders**") to be held at the Windsor Room, Third Floor, Manulife Place, 10180 101st Street, Edmonton, Alberta,T5J 3V5, on November 26, 2024 at 9:30 a.m. (Edmonton time).

At the Meeting, you will be asked to vote on a special resolution approving the proposed plan of arrangement (the "**Arrangement**") under the *Business Corporations Act* (Alberta) involving the REIT, Melcor REIT GP Inc. (the "**GP**") and Melcor Developments Ltd. ("**Purchaser**" or "**MRD**"). Pursuant to the Arrangement, among other steps as described in the management information circular accompanying this letter (the "**Circular**"), (i) the Purchaser will acquire all issued and outstanding shares in the capital of the GP and all issued and outstanding Class A voting LP Units (each, a "**Class A LP Unit**") of Melcor REIT Limited Partnership (the "**Limited Partnership**") from the REIT, in consideration for an amount equal to $4.95 per Class A LP Unit, and (ii) each outstanding Unit shall be redeemed by the REIT in consideration for a cash payment to holders of Units (the "**Unitholders**") equal to $4.95 per Unit (the "**Consideration**"), less any Pre-Arrangement Distribution (as defined in the Circular), representing a premium of 46.0% to the REIT's closing Unit price of $3.39 on September 12, 2024, the last trading day prior to the announcement of the Arrangement, and a 61.3% premium to the 30-day volume weighted average Unit price ending September 12, 2024. As part of the Arrangement, immediately prior to the foregoing steps, the REIT will make a special distribution to Unitholders in the form of additional Units, immediately followed by a consolidation so that each Unitholder shall hold the same number of Units as prior to the special distribution.

Additionally, on or about the closing of the Arrangement, the REIT will cause the redemption of, and the Purchaser will pay out in cash, all principal amount of the $46.0 million of the REIT's 5.10% convertible unsecured subordinated debentures having a maturity date of December 31, 2024 (the "**Debentures**"), with the REIT paying any accrued but unpaid interest on the Debentures.

The REIT Board unanimously (with the exception of Mr. Andrew Melton, Ms. Naomi Stefura and Mr. Ralph Young, each of whom declared their interest in, or position as a director and/or officer of, the Purchaser and abstained from voting in respect thereof) recommends that Voting Unitholders vote FOR the proposed Arrangement by following the instructions by the deadlines described in the accompanying Circular and any instructions provided to you by your broker (if you hold your Units through an intermediary or investment account).

Reasons for the Recommendation

The REIT Board formed a committee of independent trustees (the "**Independent Committee**") to, among other things, evaluate the proposal received from the Purchaser and other alternatives available to the REIT, as well as direct and supervise the negotiations of the Arrangement with the benefit of financial and legal advice. The REIT Board, after careful consideration and acting on the unanimous recommendation of the Independent Committee after receiving legal and financial advice, the BMO Fairness Opinion, and the Ventum Formal Valuation and Fairness Opinion, has unanimously (with certain trustees abstaining) determined that the Arrangement is in the best interests of the REIT and its stakeholders, and is

recommending that Voting Unitholders vote **FOR** the Arrangement Resolution at the Meeting for the following reasons, among others:

- ***Best Current Prospect for Maximizing Unitholder Value***. Based on the considerations described in this section and others, the Independent Committee and the REIT Board determined that the Arrangement was the best current prospect for maximizing Unitholder value.

- ***Significant Premium to Market Price***. As of the date of the Arrangement Agreement, the Arrangement values the Units at an equivalent to $4.95 per Unit (the "**Per Unit Consideration**"), which represents a premium of 46.0% to the September 12, 2024 closing price of the Units on the TSX (the last closing price prior to the announcement of the Arrangement) and a premium of 61.3% to the 30-day VWAP ending September 12, 2024.

- ***Certainty of Value and Immediate Liquidity***. The Consideration to be received by Unitholders is payable entirely in cash and therefore provides Unitholders with certainty of value and immediate liquidity, and removes the risks associated with the REIT remaining an independent public entity, including challenges of operating assets in light of an increasingly difficult environment for Canadian office real estate assets as well as external factors such as macroeconomic factors, changes in interest rates, access to and pricing of debt and equity capital, capitalization rates, political conditions and capital markets conditions that are beyond the control of the REIT, the REIT Board and its management team.

- ***Strategic Process and Review of Strategic Alternatives***. Prior to executing the Arrangement Agreement, the Independent Committee, with the assistance of its legal and financial advisors, undertook a comprehensive, publicly announced strategic review process over a period of approximately five months. The Independent Committee, with the assistance of its financial and legal advisors, and based upon their collective knowledge of the business, operations, financial condition, earnings and prospects of the REIT, as well as their collective knowledge of the current and prospective environment in which the REIT operates (including economic and market conditions), assessed the relative benefits, risks and potential timelines of various alternatives reasonably available to the REIT, including the continued execution of the REIT's strategic business plan and the possibility of soliciting other potential buyers of the REIT. As part of that evaluation process, the Independent Committee concluded that: (i) the Per Unit Consideration to be received by Unitholders is payable entirely in cash and represents compelling value relative to the continued execution of the REIT's strategic business plan; and (ii) it was unlikely that any other party would be willing to acquire the REIT on terms that were more favourable to Unitholders, from a financial point of view, than the Arrangement, and moreover, the Go-Shop Period provided such an opportunity, which did not yield any Superior Proposals or offers. The Independent Committee ultimately concluded that entering into the Arrangement Agreement with the Purchaser was the most favourable alternative reasonably available.

- ***Viability, Liquidity and Capital Constraints***. Prior to executing the Arrangement Agreement and the Backstop Loan Agreement, the Independent Committee, with the assistance of its legal and financial advisors, conducted a careful review of the REIT's ability to remain a viable publicly traded real estate investment trust and the potential risks and impact on Unitholders related thereto. This analysis was conducted primarily on the current operating environment for office real estate characterized by declining market rents, increasing market vacancies, increasing operating and leasing costs to retain existing tenants or attract new tenants, specifically related to the REIT's office portfolio which comprises approximately 49% of the REIT's gross leasable area. These factors in combination with the REIT's limited existing liquidity profile, maturities of the REIT's Debentures, mortgages and credit facilities, as well as headwinds associated with accessing meaningful additional debt capital funding (apart from funds available to the REIT under the Backstop Loan Agreement) and headwinds associated with the REIT's ability to access the equity capital markets, led the Independent Committee to conclude there are material risks to the business. In addition, the REIT has had limited success in its efforts to sell properties publicly listed

for sale with real estate brokers throughout 2023 and 2024 (particularly with respect to its properties in Saskatchewan), adding to the risks associated with the REIT's ability to remain a viable publicly traded real estate investment trust. The REIT is currently under contract on one potential asset sale (with such contract still subject to a due diligence condition), and continues its normal course efforts to secure appropriate asset divestiture transactions in this challenging market. Such risks impose significant time and capital impediments to the REIT's ability to sustain Unitholder equity value, further exacerbated by the headwinds in the REIT's current operating environment.

- ***No Prospects of Reinstituting the REIT's Distribution in the Foreseeable Future***. As a result of the ongoing liquidity and capital constraints, the Independent Committee concluded that it was unlikely that the REIT could reinstitute distributions in the near to medium term.

- ***Go-Shop Provision***. The Arrangement Agreement contains a "go shop" provision which allowed the REIT to solicit and engage in discussions and negotiations with respect to potential Acquisition Proposals for a period of 30 days following execution of the Arrangement Agreement and to enter into a superior proposal during the Go-Shop Period. During the Go-Shop Period, BMO Nesbitt Burns Inc. ("**BMO**"), the REIT's financial advisor, contacted 100 potential buyers and signed 14 confidentiality and standstill agreements with potential buyers that were subsequently granted access to non-public information about the REIT. The Go-Shop Period expired at 11:59 p.m. MT on October 15, 2024 with no superior proposal having been received.

- ***Arm's Length Negotiation and Role of the Independent Committee***. The Arrangement is the result of a rigorous arm's length negotiation process that was undertaken between the Independent Committee and its experienced, qualified and independent financial and legal advisors, on the one hand, and the Purchaser and its advisors, on the other hand. The Independent Committee was and is composed entirely of independent trustees of the REIT Board who are free from any conflict of interest with respect to the Purchaser and REIT management.

- ***The Consideration is Supported by an Independent Valuation and Fairness Opinions***. The value of the Consideration is in the range for the fair market value of the Units as concluded in the formal valuation delivered to the Independent Committee by Ventum Financial Corp. ("**Ventum**") dated September 12, 2024. The Ventum Formal Valuation sets out a range of $3.50 to $5.00 for the fair market value of each Unit. Accordingly, the value of the consideration of $4.95 per Unit is well above the midpoint of the range for the fair market value of the Units. The Ventum Formal Valuation and Fairness Opinion was delivered on a fixed fee basis and no portion of the fees payable to Ventum are contingent upon the conclusions reached in the formal valuation or completion of the Arrangement. In addition, the Independent Committee receive a fairness opinion from each of BMO and Ventum that, as of the date thereof, and subject to the assumptions, limitations and qualifications set out therein, the Consideration of $4.95 per Unit to be received by Unitholders pursuant to the Arrangement was fair, from a financial point of view, to Unitholders (other than the Purchaser and its affiliates).

A comprehensive discussion of the reasons for the Independent Committee's and the REIT Board's recommendations to vote **FOR** the Arrangement can be found under "*The Arrangement — Reasons for the Recommendation*" in the accompanying Circular.

The Arrangement is subject to certain Voting Unitholder and Court approvals, and is also subject to other customary conditions, which are described in the accompanying Circular, that must be satisfied or waived for the completion of the Arrangement to occur. If all of the conditions for the completion of the Arrangement are satisfied, we currently anticipate that closing will occur during the fourth quarter of 2024.

The accompanying Circular contains a detailed description of the Arrangement, certain risks associated with the Arrangement and other important information. Before deciding how to vote, you should read and carefully consider the information contained in the Circular and consult with your financial, legal, tax and other professional advisors. If the Arrangement is approved and completed, you must follow the instructions

described in the Circular, as well as any instructions provided by your broker, in order to receive the Consideration for your Units.

Your vote is important regardless of the number of Voting Units you own. Vote <u>FOR</u> the Arrangement today.

Voting Unitholders are urged to vote **<u>FOR</u>** the Arrangement well in advance of the proxy voting deadline, which is 9:30 a.m. (Edmonton time) on November 22, 2024, or not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof. If you hold your Units through an intermediary, such as a broker, investment dealer, bank, trust company, trustee, clearing agency or other nominee, your intermediary may require you to submit your vote at an earlier date and/or time. You can complete and return the enclosed form of proxy (or voting instruction form, if applicable) in a number of ways. Voting Unitholders who have questions or need assistance voting should contact: *Laurel Hill Advisory Group, which can be reached by telephone toll-free in North America at 1-877-452-7184 outside North America at +1 416-304-0211, or by email at assistance@laurelhill.com*.

Yours very truly,

(signed) "*Richard Kirby*"

Richard Kirby
Chair of the Independent Committee

NOTICE OF SPECIAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders ("**Voting Unitholders**") of the units (each, a "**Unit**") and special voting units ("**SVUs**") of Melcor Real Estate Investment Trust (the "**REIT**") will be conducted as a physical meeting at the Windsor Room, Third Floor, Manulife Place, 10180 101st Street, Edmonton, Alberta T5J 3V5 at 9:30 a.m. (Edmonton time) for the following purposes:

1. to consider, pursuant to an interim order of the Court of King's Bench of Alberta dated October 24, 2024 (as same may be amended, modified or varied, the "**Interim Order**") and, if thought advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is set forth in Schedule "B" to the accompanying management information circular (the "**Circular**"), to approve a proposed plan of arrangement (the "**Plan of Arrangement**") pursuant to Section 193 of the *Business Corporations Act* (Alberta) involving the REIT, Melcor REIT GP Inc. (the "**GP**") and Melcor Developments Ltd. (the "**Purchaser**"), providing for, among other things: (i) the payment of a special distribution to unitholders of the REIT followed by a unit consolidation, (ii) the Purchaser acquiring all issued and outstanding shares in the capital of the GP and all issued and outstanding Class A voting LP Units of Melcor REIT Limited Partnership from the REIT, and (iii) the redemption (the "**Redemption**") of all of the then outstanding Units for $4.95 per Unit in cash consideration, less any Pre-Arrangement Distribution (if any) (the "**Arrangement**"); and

2. to transact such other business as may properly come before the Meeting or any postponements or adjournment thereof.

Specific details of the matters proposed to be put forth before the Meeting are contained in the Circular that accompanies and forms a part of this Notice of Special Meeting. Voting Unitholders are encouraged to read the Circular carefully when evaluating the matters to be considered at the Meeting.

Based on a unanimous recommendation of the Independent Committee, the REIT Board has unanimously (with the exception of Mr. Andrew Melton, Ms. Naomi Stefura and Mr. Ralph Young, each of whom declared their interest in, or position as a director and/or officer of, the Purchaser and abstained from voting in respect thereof) determined: (i) that the Arrangement is in the best interests of the REIT and its stakeholders, (ii) that the Consideration to be received by Unitholders is fair, from a financial point of view, to Unitholders, (iii) to approve the execution, delivery and performance of the Arrangement Agreement and the other transaction documents to which the REIT is a party, and (iv) to recommend that Voting Unitholders vote FOR the Arrangement Resolution at the Meeting.

The Meeting will be held in person at the Windsor Room, Third Floor, Manulife Place, 10180 101st Street, Edmonton, Alberta T5J 3V5 at 9:30 a.m. (Edmonton time).

The record date for the determination of those Voting Unitholders entitled to receive notice of and vote in respect of the Meeting is the close of business on October 22, 2024 (the "**Record Date**"). Only Voting Unitholders whose names have been entered in the register of Voting Unitholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting, and such Voting Unitholders will only be entitled to vote in respect of the Units and SVUs held as of the close of business on the Record Date.

A registered Voting Unitholder ("**registered Voting Unitholder**") is a Voting Unitholder who holds their Units or SVUs, as applicable, represented by a physical certificate or DRS statement. A registered Voting Unitholder may vote in person at the Meeting or, rather than attending in person, all registered Voting

Unitholders may vote in advance by submitting their proxy over the internet, or by mail in accordance with the instructions below:

- **Voting by Internet**. A registered Voting Unitholder may vote over the Internet by going to https://vote.odysseytrust.com and following the instructions. Such Voting Unitholder will require a control number (located on the back of the proxy) to identify themselves to the system. Note the control number is case sensitive.

- **Voting by Mail**. A registered Voting Unitholder may submit their proxy by mail by completing, dating and signing the enclosed form of proxy and returning it using the envelope provided or otherwise to the attention of the transfer agent and registrar of the REIT, Odyssey Trust Company, 702-67 Yonge Street, Toronto, Ontario M5E 1J8.

In order to be valid and acted upon at the Meeting, proxies must be received by Odyssey Trust Company (the "Transfer Agent") by 9:30 a.m. (Edmonton time) on November 22, 2024, or not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof. The time limit for proxies may be extended or waived by the Chair of the Meeting, with or without notice. If a Voting Unitholder receives more than one form of proxy because such Voting Unitholder owns Units and/or SVUs registered in different names or addresses, each form of proxy should be completed and returned. Voting Unitholders are encouraged to vote by internet and are cautioned that the use of mail to transmit proxies is at each Voting Unitholder's risk.

Non-registered Unitholders ("**non-registered Unitholders**") are Unitholders who hold their Units with a bank, broker or other intermediary. The vast majority of the REIT's Unitholders are non-registered Unitholders. **NON-REGISTERED UNITHOLDERS SHOULD FOLLOW THE INSTRUCTIONS INCLUDED ON THE VOTING INSTRUCTION FORM PROVIDED BY ITS INTERMEDIARY**.

For most non-registered Unitholders, voting will be facilitated by Broadridge Financial Solutions ("**Broadridge**"). These Unitholders will receive a voting instruction form from Broadridge with a 16-digit control number, which can be used to vote:

- Online: http://proxyvote.com

- By Phone: 1-800-474-7493

- By Mail: Using the enclosed prepaid envelope

The voting rights attached to the Units and SVUs represented by proxy in the enclosed form of proxy will be voted or withheld from voting in accordance with the instructions indicated thereon. **If no instructions are given, the voting rights attached to such Voting Units will be voted FOR the Arrangement Resolution**. The accompanying form of proxy confers discretionary authority on the persons named in it as proxies with respect to any amendments or variations to the matters identified in this Notice of Special Meeting or other matters that may properly come before the Meeting and the named proxies in your properly-executed proxy will vote on such matters in accordance with their judgment. At the date of this Notice of Special Meeting, management of the REIT is not aware of any such amendments, variations or other matters, which are to be presented for action at the Meeting.

A registered Voting Unitholder who has submitted a proxy may revoke such proxy by: (a) completing and signing a form of proxy bearing a later date and depositing it with the Transfer Agent in accordance with the instructions set out above, or (b) depositing an instrument in writing executed by the registered Voting Unitholder or by such Voting Unitholder's personal representative authorized in writing (i) at the office of the Transfer Agent at Odyssey Trust Company, 702-67 Yonge Street, Toronto, Ontario M5E 1J8 no later than 9:30 a.m. (Edmonton time) on November 22, 2024 (or no later than 48 hours, excluding Saturdays, Sundays and holidays, before any reconvened meeting if the Meeting is adjourned or postponed), or (ii) with the Chair of the Meeting prior to the commencement of the Meeting on the day of the Meeting, or where

the Meeting has been adjourned or postponed, prior to the commencement of the reconvened or postponed Meeting on the day of such reconvened or postponed Meeting, or (c) in any other manner permitted by law. If you attend the Meeting but do not vote by poll, your previously submitted proxy will remain valid.

A non-registered Unitholder who has given voting instructions to an intermediary may revoke such voting instructions by following the instructions of such intermediary. However, an intermediary may be unable to take any action on the revocation if such revocation is not provided sufficiently in advance of the Meeting or any adjournment or postponement thereof.

The REIT understands that, as of the Record Date, all SVUs are held in registered form, and as such, there are no non-registered (beneficial) SVU holders.

Registered Voting Unitholders and duly appointed proxyholders, including non-registered Unitholders who have duly appointed themselves as proxyholders, are entitled to attend and vote at the Meeting. Should a non-registered Unitholder who receives either a voting instruction form or a form of proxy wish to attend the Meeting and vote in person (or have another Person attend and vote on behalf of the non-registered Unitholder), insert your name in the space provided on the voting instruction form and return it by following the instructions provided therein. Non-registered Unitholders should carefully follow the instructions of their intermediaries and their service companies, including those instructions regarding when and where the voting instruction form or the form of proxy is to be delivered

Also enclosed is a Letter of Transmittal for use by registered Unitholders, which contains instructions on how to exchange your Units for the aggregate cash consideration to which you are entitled upon completion of the Arrangement. Registered Unitholders must complete and sign the Letter of Transmittal accompanying the Circular and deliver it, along with the certificate(s) (if applicable) representing their Units and the other documents required by Odyssey Trust Company, as depositary, paying and redemption agent, in accordance with the instructions contained therein.

Pursuant to the Interim Order, registered Unitholders have been granted the right to dissent in respect of the Arrangement and, if the Arrangement becomes effective, to be paid an amount equal to the fair value of their Units. Holders of SVUs are not entitled to dissent rights with respect to the Arrangement Resolution or any other matter pertaining to the Arrangement. This dissent right, and the procedures for its exercise, are described in the Circular under "*Dissent Rights*". Failure to comply strictly with the dissent procedures described in the Circular will result in the loss or unavailability of any right to dissent. Persons who are beneficial owners of Units registered in the name of an intermediary who wish to dissent should be aware that only registered Unitholders are entitled to dissent. Accordingly, a beneficial owner of Units desiring to exercise this right must make arrangements for the Units beneficially owned by such Unitholder to be registered in the Unitholder's name prior to the time the written objection to the Arrangement Resolution is required to be received by the REIT. It is strongly suggested that any Unitholder wishing to dissent seek independent legal advice, as the failure to comply strictly with the provisions of Section 191 of the *Business Corporations Act* (Alberta), as modified and supplemented by the Interim Order and the Plan of Arrangement, may result in the forfeiture of such Unitholder's right to dissent.

Your vote is important regardless of the number of units you own. Whether or not you attend the Meeting, please take the time to vote in accordance with the instructions contained in your form of proxy or voting instruction form, as applicable.

If you have any questions or need assistance in your consideration of the Arrangement or with the completion and delivery of your form of proxy or voting instruction form, please contact the REIT's strategic unitholder advisor and proxy solicitation agent, Laurel Hill Advisory Group, by telephone toll-free in North America at 1-877-452-7184, outside North America at +1 416-304-0211, or by email at assistance@laurelhill.com.

If you are a registered Unitholder and have any questions about submitting your Units and completing the Letter of Transmittal, please contact Odyssey Trust Company, the depositary for the Arrangement by telephone toll-free in North America at 1-888-290-1175 or outside North America at 1-587-885-0960, by

email at corp.actions@odysseytrust.com, or by visiting Odyssey Trust Company's website at www.odysseytrust.com/ca-en/help.

Capitalized terms not otherwise defined in this Notice of Special Meeting have the meaning as set forth in the Circular.

DATED at Edmonton, Alberta this 25th day of October, 2024.

BY ORDER OF THE BOARD OF TRUSTEES OF MELCOR REAL ESTATE INVESTMENT TRUST

By: (signed) "*Andrew Melton*"
Name: Andrew Melton
Title: Chief Executive Officer and Trustee

By: (signed) "*Richard Kirby*"
Name: Richard Kirby
Title: Trustee and Chair of the Independent Committee

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MELCOR REAL ESTATE INVESTMENT TRUST
MANAGEMENT INFORMATION CIRCULAR

INFORMATION CONTAINED IN THIS CIRCULAR

This Circular is provided in connection with the solicitation of proxies by and on behalf of management of the REIT and the REIT Board for use at the Meeting (referred to in the Notice of Meeting) to be held on November 26, 2024 at 9:30 a.m. (Edmonton time) and any adjournment or postponement thereof. Except as otherwise stated, the information contained herein is given as of October 25, 2024.

All capitalized words and terms used but not otherwise defined in this Circular have the meanings set forth in the Glossary of Terms attached as Schedule "A" to this Circular. Capitalized words and terms used in the Schedules attached to this Circular are defined separately therein.

Unless otherwise indicated, all references to "$", "dollars" or "Canadian dollars" are to Canadian dollars. For simplicity, we use terms in this Circular to refer to our investments and operations as a whole. Accordingly, in this Circular, unless the context otherwise requires, when we use terms such as "we", "us" and "our", we are referring to the REIT and its subsidiaries.

No Person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the REIT or the Purchaser.

This Circular does not constitute the solicitation of an offer to acquire, or an offer to sell, any securities or the solicitation of a proxy by any Person in any jurisdiction in which such solicitation is not authorized or in which the Person making such solicitation is not qualified to do so or to any Person to whom it is unlawful to make such solicitation or offer.

All information in this Circular relating to the Purchaser has been furnished by the Purchaser or obtained by the REIT from publicly available sources. Although the REIT does not have any knowledge that would indicate that such information is untrue or incomplete, neither the REIT nor any of its Trustees or officers assumes any responsibility for the accuracy or completeness of such information, or for the failure by the Purchaser to disclose events or information that may affect the completeness or accuracy of such information.

Descriptions in this Circular of the terms of the Arrangement Agreement, the Plan of Arrangement, the BMO Fairness Opinion, the Ventum Fairness Opinion, the Ventum Formal Valuation and the Interim Order are summaries of such documents and are qualified in their entirety by the full copies of such documents. Voting Unitholders should refer to the full text of each of these documents. The Plan of Arrangement, the BMO Fairness Opinion, the Ventum Formal Valuation and Fairness Opinion and the Interim Order are attached to this Circular as Schedules "C", "D", "E", and "F", respectively. The full text of the Arrangement Agreement and the Backstop Loan Agreement are available under the REIT's profile on SEDAR+ at www.sedarplus.ca and on the REIT's website at www.melcorreit.ca/special-meeting. You are urged to carefully read the full text of these documents.

Information contained in this Circular should not be construed as legal, tax or financial advice and Voting Unitholders are urged to consult their own professional advisors in connection therewith.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Circular contains "forward-looking information" within the meaning of applicable Securities Laws. Specific forward-looking information in this Circular includes, without limitation: the Arrangement and completion thereof; approval of the Arrangement by the Voting Unitholders and Court approval of the Arrangement; any third party approvals in respect of, or consents required in connection with, the

Arrangement; the satisfaction or waiver of all conditions precedent to completion of the Arrangement; the timing for the implementation of the Arrangement, including the expected Effective Date of the Arrangement; the timing of various steps to be completed in connection with the Arrangement, including necessary Voting Unitholder Approval and Court Approval and other conditions required to complete the Arrangement; the likelihood of the Arrangement being completed; the strengths, characteristics and anticipated benefits of the Arrangement; the principal steps of the Arrangement; the anticipated tax consequences of the Arrangement, including the amount of Taxable Income to be distributed by the REIT and the amount of the Special Distribution; the solicitation of proxies by the REIT and Laurel Hill; statements made in, and based upon, the BMO Fairness Opinion, the Ventum Fairness Opinion and the Ventum Formal Valuation; statements relating to the business of the REIT after the date of this Circular and prior to, and after, the Effective Time; the delisting of the Units and the Debentures from the TSX and expectations regarding the REIT's reporting issuer status; statements relating to the Backstop Loan Agreement, including the ability of the REIT to satisfy the drawdown conditions and the likelihood of drawdown thereunder; the redemption and repayment of the Debentures and the timing thereof; anticipated developments in the operations of the REIT, including the sale of assets under contract; expectations regarding the operations of the REIT if the Arrangement is not completed; future growth; the adequacy of financial resources; and other events or conditions that may occur in the future or future plans, projects, objectives, estimates forecasts, and the timing related thereto; and such other statements regarding the REIT's expectations, intentions, plans and beliefs. The forward-looking information in this Circular is presented for the purpose of providing disclosure of the current expectations of our future events or results, having regard to current plans, objectives and proposals, and such information may not be appropriate for other purposes. Forward-looking information may also include information regarding our respective future plans or objectives and other information that is not comprised of historical fact. Forward-looking information is predictive in nature and depends upon or refers to future events or conditions; as such, this Circular uses words such as "may", "would", "could", "should", "will" "likely", "expect", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate" and similar expressions suggesting future outcomes or events to identify forward-looking information.

Any such forward-looking information is based on information currently available to the REIT, and is based on assumptions and analyses made in light of recent experiences and perception of historical trends, current conditions and expected future developments, as well as other factors the REIT believes are appropriate in the circumstances, including but not limited to: the ability of the Parties to receive, in a timely manner and on satisfactory terms, the necessary regulatory, Court, Voting Unitholder Approval and other third party approvals; that there will be no material delays in obtaining required regulatory approvals and Voting Unitholder Approval in connection with the Arrangement and that such approvals will be obtained; that all conditions to the completion to the Arrangement will be satisfied or waived in accordance with the timing currently expected and the Arrangement Agreement will not be materially amended or terminated prior to the completion of the Arrangement; that there will be no material changes in the legislative, regulatory and operating framework for the REIT's business including income tax legislation; that no unforeseen changes in the legislative and operating framework for our business will occur, including unforeseen changes to laws or governmental regulations in Canada; the ability of the Parties to close the Arrangement; the ability of the Purchaser to satisfy the Consideration and the Debenture Repayment Amount; that business and economic conditions affecting the REIT's operations will substantially continue in their current state and that there will be no significant event affecting the REIT occurring outside the ordinary course of our business; assumptions and expectations related to premiums to the trading price of Units and returns to Unitholders; and other expectations and assumptions which management believes are appropriate and reasonable. However, whether actual results and developments will conform with the expectations and predictions contained in the forward-looking information is subject to a number of risks and uncertainties, many of which are beyond the REIT's control, and the effects of which can be difficult to predict. The anticipated dates provided in this Circular regarding the Arrangement may change for a number of reasons, including the inability to secure the necessary regulatory, Court, Voting Unitholder or other third-party approvals in the time assumed or the need for additional time to satisfy the other conditions to the completion of the Arrangement.

Although the REIT believes that the expectations and assumptions on which such forward-looking information are based are reasonable, forward-looking information is subject to known and unknown risks,

uncertainties and other factors that may cause actual results to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, risks associated with or relating to: completion of the Arrangement, including satisfaction of the conditions precedent to the Arrangement Agreement, some of which are outside of the REIT's control; the Arrangement is subject to satisfaction or waiver of a number of conditions; any party's failure to consummate the Arrangement when required; the Arrangement is subject to the Voting Unitholder Approval and Court Approval, which may not be obtained; a Material Adverse Effect or other circumstance that could give rise to the termination of the Arrangement Agreement and/or the Backstop Loan Agreement; the REIT is subject to covenants and restrictions on the conduct of its business prior to completion of the Arrangement or termination of the Arrangement Agreement; the risks of non-completion of the Arrangement on the business of the REIT and market price of the Units; there can be no assurance that the REIT will be able to find another strategic transaction; the REIT is restricted in its ability to solicit Acquisition Proposals from other potential purchasers; the REIT Termination Fee and the right to match may discourage other parties from making a superior proposal; the REIT being required to pay the Purchaser the REIT Termination Payment or the Purchaser being required to pay the REIT the Purchaser Termination Payment; even if the Arrangement Agreement is terminated without payment of a REIT Termination Fee, the REIT may, in the future, be required to pay a termination fee in certain circumstances; the pending Arrangement may divert the attention of the REIT's management; uncertainty surrounding the Arrangement could adversely affect the REIT's retention of tenants and suppliers; risks relating to tax matters; risks related to securities class actions, derivative lawsuits and other legal claims; risks associated with negative publicity; fees, costs and expenses of the Arrangement are not recoverable; the fact that certain Trustees and senior officers of the REIT have interests in the Arrangement that may be different from, or in addition to, the interests of Voting Unitholders generally; ability of the REIT to draw on the Backstop Loan Agreement; risks of default under the REIT's Senior Credit Agreement; risks associated with the ability to access public and private capital; viability, liquidity and capital constraint risks; the Arrangement not being completed on the terms, or in accordance with the timing, currently contemplated, or at all; adverse changes in general economic and market conditions in Canada; the impact of geopolitical uncertainty on the broader economy; the REIT's inability to execute strategic plans and meet financial obligations; and the REIT's anticipated real estate operations and investment holdings in general, including environmental risks, market risks, and risks associated with inflation, changes in interest rates and other financial exposures. For a further description of these and other factors that could cause actual results to differ materially from the forward-looking information contained in this Circular, see the risk factors discussed in the REIT's most recent annual information form and the REIT's most recent management discussion and analysis, which are available under the REIT's profile on SEDAR+ at www.sedarplus.ca.

In evaluating any forward-looking information contained, or incorporated by reference, in this Circular, we caution readers not to place undue reliance on any such forward-looking information. Any forward-looking information speaks only as of the date on which it was made. Unless otherwise required by applicable Securities Laws, we do not intend, nor do we undertake any obligation, to update or revise any forward-looking information contained or incorporated by reference, in this Circular to reflect subsequent information, events, results, circumstances or otherwise.

INFORMATION FOR UNITHOLDERS NOT RESIDENT IN CANADA

The REIT is an unincorporated, open-ended real estate investment trust governed by the Laws of the Province of Alberta pursuant to the Declaration of Trust. The solicitation of proxies and the transactions contemplated in this Circular involve securities of an issuer located in Canada and are being effected in accordance with Canadian Securities Laws. This Circular has been prepared in accordance with disclosure requirements under Canadian Securities Laws. Voting Unitholders should be aware that disclosure requirements under Canadian securities Laws differ from disclosure requirements under Laws in other jurisdictions.

The enforcement by investors of civil liabilities under the securities Laws of jurisdictions outside of Canada may be affected adversely by the fact that: (a) the REIT is an unincorporated, open-ended real estate investment trust governed by the Laws of the Province of Alberta pursuant to the Declaration of Trust, (b) all of the Trustees and the REIT's officers are residents of Canada, and (c) the majority of the REIT's assets are, and the majority of the assets of the Trustees and the REIT's officers are, located in Canada. Voting

Unitholders may not be able to sue the REIT or the Trustees in a court for violations of foreign securities Laws. Voting Unitholders should not assume that Canadian courts: (x) would enforce judgments of foreign courts obtained in actions against the REIT, the Trustees or the REIT's officers predicated upon foreign securities Laws provisions, or (y) would enforce, in original actions, liabilities against the REIT, the Trustees or the REIT's officers predicated upon foreign securities Laws. It may be difficult to compel the REIT, through the Trustees, to subject themselves to a judgment by a foreign court and it may not be possible for non-Canadian Voting Unitholders to effect service of process within foreign jurisdictions on the REIT, the Trustees or the REIT's officers located in Canada.

THE TRANSACTIONS DESCRIBED IN THIS CIRCULAR HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY, NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED ON THE FAIRNESS OR MERITS OF SUCH TRANSACTIONS OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Voting Unitholders who are foreign taxpayers should be aware that the transactions contemplated herein may have tax consequences both in Canada and in such foreign jurisdiction. Certain information concerning the Canadian federal income tax consequences of the Arrangement for certain Voting Unitholders who are not residents of Canada is set forth under "*Certain Canadian Federal Income Tax Considerations — Taxation of Holders Not Resident in Canada*" in this Circular. Voting Unitholders are urged to consult their own tax advisors to determine the particular tax consequences to them of the Arrangement.

NOTICE OF APPLICATION FOR FINAL ORDER

On October 16, 2024, the REIT and GP filed an Originating Application with the Court seeking an Interim Order in connection with the Arrangement. On October 24, 2024, the Court granted the Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order is attached to this Circular as Schedule "F". Subject to the approval of the Arrangement Resolution by Voting Unitholders at the Meeting, the hearing in respect of the Final Order is scheduled to take place via a virtual-only live webcast at the Court located at Law Courts, 1A Sir Winston Churchill Square, Edmonton AB T5J 0R2, on November 29, 2024, at 2:00 p.m. (Edmonton time), or as may be otherwise directed by the Court. See "*The Arrangement — Court Approval*".

ABOUT THE MEETING AND THE ARRANGEMENT

The following questions and answers address briefly some questions that you, as a Voting Unitholder, may have regarding the Meeting and the Arrangement. These questions and answers may not address all questions that may be important to you and are qualified in their entirety by the more detailed information contained elsewhere in this Circular, the attached Schedules, the form of proxy and the Letter of Transmittal, all of which are important and should be reviewed carefully. You are urged to carefully read this Circular in its entirety, including the attached Schedules, and the other documents to which this Circular refers in order for you to understand fully the Arrangement and the Arrangement Resolution. See the Glossary to this Circular in Schedule "A" for the meanings assigned to capitalized terms used below and elsewhere in this Circular and not otherwise defined herein.

Q: Why did I receive this package of information?

A: On September 12, 2024, the REIT, the GP and the Purchaser entered into the Arrangement Agreement, pursuant to which, among other things, the parties thereto have agreed that: (i) the REIT will pay a non-cash Special Distribution of Units to Unitholders followed by a consolidation so that each Unitholder shall hold the same number of Units as prior to the Special Distribution, and (ii) the Purchaser will acquire all of the units in the unit capital of the Limited Partnership and shares in the share capital of the GP held by the REIT, and (iii) the REIT will redeem all of the issued and outstanding Units in exchange for the Consideration pursuant to the Plan of Arrangement. Additionally, on or about the closing of the Arrangement, the REIT will cause the redemption of, and the Purchaser will pay out in cash, all principal amount of the $46.0 million Debentures, with the REIT paying any accrued but unpaid interest on the Debentures. The Arrangement is subject to, among other things, obtaining the requisite approval of the Voting Unitholders. As a Voting Unitholder as of the close of business on October 22, 2024, the Record Date, you are entitled to receive notice of, and to vote at, the Meeting in respect of the Units and SVUs held by you as of the close of business on such date. Management of the REIT is soliciting your proxy, or vote, and providing this Circular in connection with that solicitation.

Q: Where and when is the Meeting?

A: The Meeting will be held on November 26, 2024 at 9:30 a.m. (Edmonton time) as a physical meeting in person at the Windsor Room, Third Floor, Manulife Place, 10180 101st Street, Edmonton, Alberta T5J 3V5.

Q: What is the Arrangement?

A: The Arrangement is a proposed acquisition pursuant to which, among other steps as described in this Circular, (i) the Purchaser has agreed to acquire all issued and outstanding shares in the capital of the GP and the Purchaser's unowned equity interest (approximately 45%) in the Limited Partnership, being all of the Limited Partnership's outstanding Class A LP Units (approximately 13.0 million units), for $4.95 per Class A LP Unit in cash consideration, and (ii) the REIT will use the proceeds of the foregoing sale to redeem all of the issued and outstanding Units, pursuant to a plan of arrangement under the provisions of Section 193 of the ABCA. The Arrangement is subject to the satisfaction or waiver of customary conditions, including the receipt of applicable Voting Unitholder and Court approvals. As part of the Plan of Arrangement, immediately prior to the foregoing steps, the REIT will make a Special Distribution to Unitholders in the form of additional Units, immediately followed by a consolidation so that each Unitholder shall hold the same number of Units as prior to the Special Distribution. On Closing of the Arrangement, Unitholders will receive, for each Unit they own, the aggregate Per Unit Consideration of $4.95 per Unit in cash, less any Pre-Arrangement Distribution (if any) and less any applicable withholdings.

Additionally, on or about the Closing of the Arrangement, if the Debentures remain outstanding, the REIT will cause the redemption of, and the Purchaser will pay out in cash, all principal amount of the $46.0 million of the Debentures, with the REIT paying any accrued but unpaid interest on the

Debentures. The Arrangement is anticipated to involve, among other things: (a) the direct or indirect sale of the property and assets of the REIT and its subsidiaries to the Purchaser; (b) the Special Distribution to Unitholders; (c) Redemption of the Units held by Unitholders on the Effective Date; and (d) redemption and repayment of the Debentures. See "*The Arrangement — Background to the Arrangement*", "*Summary of the Arrangement Agreement*" and "*Certain Canadian Federal Income Tax Considerations*".

Q: What am I being asked to approve at the Meeting?

A: At the Meeting, Voting Unitholders will be asked to consider and vote on the approval of the Arrangement Resolution, the full text of which is set forth in Schedule "B" to this Circular, which approves the transactions contemplated in the Arrangement Agreement and the Plan of Arrangement, including, without limitation:

- the payment of a Special Distribution to Unitholders in the form of additional Units, immediately followed by a consolidation so that each Unitholder shall hold the same number of Units as prior to the Special Distribution,
- the direct or indirect sale of the property and assets of the REIT and its subsidiaries to the Purchaser, being the Class A LP Units of the Limited Partnership and the GP Shares of the GP, and
- the Redemption of all the outstanding Units of the REIT in exchange for a cash payment of $4.95, less any Pre-Arrangement Distribution (if any) and less appliable withholdings.

Q: What if amendments are made to these matters or other business is brought before the Meeting?

A: The accompanying form of proxy confers discretionary authority on the persons named in it as proxies with respect to any amendments or variations to the matters identified in the Notice of Meeting or other matters that may properly come before the Meeting and the named proxies in your properly-executed proxy will vote on such matters in accordance with their judgment. At the date of this Circular, management of the REIT is not aware of any such amendments, variations or other matters, which are to be presented for action at the Meeting.

Q: As a Voting Unitholder of the REIT, what will I receive as a result of the completion of the Arrangement?

A: On Closing, Unitholders will receive, for each Unit they own, the aggregate Per Unit Consideration of $4.95, less any Pre-Arrangement Distribution (if any) and less any applicable withholdings, in cash. The Per Unit Consideration represents a significant premium of 46.0% to the closing price of the Units on the TSX on September 12, 2024 of $3.39 and a 61.3% premium to the prior 30-day volume weighted average price of the Units on the TSX ending September 12, 2024. Pursuant to the Plan of Arrangement, following the redemption of outstanding Units and cash payment of the applicable Per Unit Consideration to Unitholders, the SVUs shall be deemed converted into Units on a one-for-one basis. Holders of SVUs will not receive cash consideration under the Arrangement. See "*The Arrangement — Background to the Arrangement*" and "*Certain Canadian Federal Income Tax Considerations*".

Q: If the Arrangement is completed, when can Unitholders expect to receive the Consideration?

A: Unitholders will be paid the Per Unit Consideration of $4.95 per Unit, less any Pre-Arrangement Distribution (if any) and less any applicable withholdings, in cash as soon as reasonably practicable following the Closing, and if you are a registered Unitholder, subject to receipt of your completed

and signed Letter of Transmittal and accompanying certificates representing your Units (if applicable) and the other documents required by the Depositary.

In order to receive the aggregate cash consideration for Units to which they are otherwise entitled, a registered Unitholder must complete and sign the Letter of Transmittal enclosed with this Circular and deliver it, together with the certificate(s) (if applicable) representing the Units and the other documents required, to the Depositary in accordance with the instructions contained in the Letter of Transmittal. A registered Unitholder can obtain additional copies of the Letter of Transmittal by contacting the Depositary. The Letter of Transmittal will also be available under the REIT's profile on SEDAR+ at www.sedarplus.ca and on the REIT's website at www.melcorreit.ca/special-meeting.

Only registered Unitholders are required to submit a Letter of Transmittal. The exchange of Units for the Per Unit Consideration in respect of non-registered Unitholders whose Units are held through CDS is expected to be made with such non-registered Unitholder's intermediary (bank, trust company, securities broker or other nominee) account through the procedures in place for such purposes between CDS and such intermediary. Non-registered Unitholders should contact their intermediary if they have any questions regarding this process, and to arrange for their intermediary to complete the necessary steps to ensure that they receive the Per Unit Consideration for their Units as soon as possible following the completion of the Arrangement.

See "*Procedures for the Surrender of Certificates and Payment of Consideration — Payment of Consideration to Unitholders*" and "*Certain Canadian Federal Income Tax Considerations*".

Q: When do you expect the Arrangement to be completed?

A: If all of the conditions to completion of the Arrangement are satisfied, the REIT anticipates that Closing will occur in the fourth quarter of 2024. See "*Summary of the Arrangement Agreement — Conditions to the Arrangement Becoming Effective*".

Q: What will happen to the Voting Units that I currently own after completion of the Arrangement?

A: The Units will be redeemed by the REIT in connection with the completion of the Arrangement and Unitholders will cease to have any rights as a Unitholder. In connection with the Redemption of the Units, the REIT expects that the Units will be delisted from the TSX shortly following the Effective Date.

In addition, pursuant to the Plan of Arrangement, following the Redemption of the Units and payment of the Per Unit Consideration, the SVUs shall be deemed converted into Units on a one-for-one basis. Holders of SVUs will not receive cash consideration under the Arrangement.

Following the Effective Date, the Purchaser intends to cause the REIT to apply to cease to be a reporting issuer under the securities legislation of each of the provinces and territories in Canada under which it is currently a reporting issuer (or equivalent) or take or cause to be taken such other measures as may be appropriate to ensure that the REIT is not required to prepare and file continuous disclosure documents under applicable Securities Laws. See "*The Arrangement — Arrangement Steps*" and "*The Arrangement — Stock Exchange Delisting and Reporting Issuer Status*".

Q: What happens if the Arrangement is not completed?

A: If the Arrangement is not completed for any reason, the Units will not be redeemed, Unitholders will not receive any payment for their Units, and the SVUs will not be converted into Units as a step in the Arrangement. The REIT will remain a reporting issuer and the Units will continue to be listed

and traded on the TSX under the symbol "MR.UN". See "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement*", "*Summary of the Arrangement Agreement — Termination Payments*", and "*Risk Factors — Risks if the Arrangement is not Completed*".

Q: Did an independent committee of Trustees consider the Arrangement?

A: Yes. On December 20, 2023, the REIT Board formed a committee of independent trustees, the Independent Committee, to consider any proposed transaction involving the Purchaser.

On January 5, 2024, the REIT received a non-binding indication of interest letter from the Purchaser to explore a potential take private of the REIT. On January 24, 2024, the REIT Board approved an amendment to the Independent Committee's terms of reference permitting the Independent Committee to, among other things, review strategic alternatives outside of the proposal received from the Purchaser, and providing the Independent Committee authority, in connection with any such transaction, to instruct, oversee, manage and supervise, in such manner as the Independent Committee deems appropriate, the negotiation and settlement of the terms, conditions and structure of the REIT's participation in any such transaction. Beginning in February of 2024, the Independent Committee worked with its financial and legal advisors to undertake the strategic review process described in detail in the Circular.

On July 29, 2024, the Independent Committee received another letter from the Purchaser to explore a potential take-private of the REIT. The July Letter led to negotiations between the Purchaser and the Independent Committee, together with their respective legal and financial advisors, resulting in the Arrangement Agreement. For details, see "*The Arrangement — Background to the Arrangement*".

Q: Was there a valuation and fairness opinion prepared in relation to the Arrangement?

A: Yes. Each of Ventum and BMO Capital Markets provided a fairness opinion to the Independent Committee which concluded that, as of the date of such fairness opinion and based upon and subject to the scope of review, assumptions, limitations and qualifications described therein, the consideration of $4.95 per Unit to be received by Unitholders pursuant to the Arrangement is fair, from a financial point of view, to the Unitholders. In addition, Ventum delivered to the Independent Committee the Ventum Formal Valuation, which reflects Ventum's determination that, as of September 12, 2024, and based upon and subject to the assumptions, limitations, qualifications and other matters set forth therein, the fair market value of the Units was in the range of $3.50 and $5.00 per Unit. The value of the Per Unit Consideration is well above the midpoint of the range for the fair market value of the Units. The Ventum Formal Valuation and Fairness Opinion was delivered on a fixed fee basis and no portion of the fees payable to Ventum are contingent upon the conclusions reached in the formal valuation or the completion of the Arrangement. See "*The Arrangement — BMO Fairness Opinion*" and "*The Arrangement—Ventum Formal Valuation and Fairness Opinion*".

Q: What was the recommendation of the Independent Committee?

A: The Independent Committee, after careful consideration and having received advice from its financial and legal advisors and receipt of the verbal BMO Fairness Opinion, Ventum Fairness Opinion and Ventum Formal Valuation, unanimously determined that the Arrangement is fair to Unitholders and is in the best interests of the REIT and its stakeholders. Accordingly, the Independent Committee unanimously recommended that the REIT Board: (i) approve, and authorize the REIT to enter into, the Arrangement Agreement and (ii) recommend that Voting Unitholders vote **FOR** the Arrangement Resolution at the Meeting. See "*The Arrangement — Recommendation of the Independent Committee*" and "*The Arrangement — Reasons for the Recommendation*".

Q: What was the determination of the REIT Board? How does the REIT Board recommend I vote?

A: The REIT Board, after careful consideration and acting on the unanimous recommendation of the Independent Committee after having received advice from its financial and legal advisors, the BMO Fairness Opinion, and the Ventum Formal Valuation and Fairness Opinion, unanimously (with the exception of the Cross Trustees, each of whom declared their interest in, or position as a director and/or officer of, the Purchaser and abstained from voting in respect thereof) determined: (i) that the Arrangement is in the best interests of the REIT and its stakeholders, (ii) that the Consideration to be received by Unitholders is fair, from a financial point of view, to the Unitholders, (iii) to approve the execution, delivery and performance of the Arrangement Agreement, Backstop Loan Agreement and the other transaction documents to which the REIT is a party, and (iv) to recommend that Voting Unitholders vote **FOR** the Arrangement Resolution at the Meeting. See "*The Arrangement — Recommendation of the Independent Committee*", "*The Arrangement — Recommendation of the REIT Board*" and "*The Arrangement — Reasons for the Recommendation*".

Q: Are there summaries of the material terms of the agreements relating to the Arrangement?

A: Yes. This Circular includes a summary of the material terms of the Arrangement Agreement and the Backstop Loan Agreement. The Arrangement Agreement and the Backstop Loan Agreement have also been filed under the REIT's profile on SEDAR+ at www.sedarplus.ca and on the REIT's website at www.melcorreit.ca/special-meeting. See "*Summary of the Arrangement Agreement*" and "*The Arrangement — Arrangement Steps*".

Q: What is the level of Voting Unitholder Approval required to pass the Arrangement Resolution?

A: The Arrangement Resolution must be approved by: (i) not less than 66 2/3% of the votes cast by Voting Unitholders, voting as a single class, present in person or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast by Voting Unitholders present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to 100% of the SVUs and approximately 2.93% of Units held by Unitholders who are excluded pursuant to MI 61-101. Pursuant to the terms of the Declaration of Trust, Voting Unitholders may approve an arrangement of the REIT or its subsidiaries with another entity by way of a Special Resolution (as such term is defined in the Declaration of Trust), being a resolution passed at a meeting of Voting Unitholders (including an adjourned meting) duly convened for that purpose and passed by the affirmative votes of the holders of not less than 66 2/3% of the Voting Units represented at the meeting and voted on a poll upon such resolution. See "*The Arrangement — Required Voting Unitholder Approva*l" and "*The Arrangement — Canadian Securities Law Matters*".

Q: Have any Voting Unitholders committed to voting for the Arrangement?

A: Yes. Each Trustee and executive officer of the REIT has advised the REIT that they intend to vote or cause to be voted all Voting Units beneficially held, controlled or directed by them in favour of the Arrangement Resolution. Collectively, such Trustees and executive officers hold, directly or indirectly, or exercise control or direction over, an aggregate of 205,185 Units, which represented approximately 0.71% of the issued and outstanding Voting Units and 1.58% of the issued and outstanding Units, respectively, in each case as of the Record Date.

In addition, pursuant to the terms of the Arrangement Agreement, the Purchaser has agreed to cause all of the Voting Units of the REIT held by it, or over which it exercises control or direction, being 16,125,147 SVUs, which represent approximately 55.4% of the issued and outstanding Voting Units, to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) all of such Voting Units (i) in favour of the approval of the Arrangement Resolution,

and (ii) in favour of any other matter necessary for the consummation of transactions contemplated by the Arrangement Agreement. Notwithstanding the foregoing, all Voting Units held by the Purchaser and any Interested Party (including, without limitation, Voting Units held by each director and officer of the Purchaser) will not be counted for purposes of the tabulation of the "minority approval" of the Arrangement Resolution in accordance with MI 61-101. See "*The Arrangement — Voting Support*" and see "*The Arrangement — Canadian Securities Law Matters*".

Q: What other approvals are required for the Arrangement?

A: In addition to Voting Unitholder Approval, the Arrangement requires Court approval (via the Interim Order and the Final Order).

Q: What are the tax implications of the transaction structure?

A: Certain income tax considerations relevant to a Unitholder that participates in the Arrangement are described under "*Certain Canadian Federal Income Tax Considerations*" and "*Other Tax Considerations*". Tax matters are complicated, and the income tax consequences of the Arrangement to each Unitholder will depend on their particular circumstances. Unitholders are urged to consult their own tax advisors to determine the particular tax effects to them of the Arrangement and any other consequences to them in connection with the Arrangement under Canadian federal, provincial, or local tax laws and under foreign tax laws, having regard to their own particular circumstances.

Q: Are there risks that I should consider in deciding whether to vote in favour of the Arrangement Resolution?

A: Yes. Some risk factors relate to, among others: completion of the Arrangement, including satisfaction of the conditions precedent to the Arrangement Agreement, some of which are outside of the REIT's control; the Arrangement is subject to satisfaction or waiver of a number of conditions; any party's failure to consummate the Arrangement when required; the Arrangement is subject to the Voting Unitholder Approval and Court Approval, which may not be obtained; a Material Adverse Effect or other circumstance that could give rise to the termination of the Arrangement Agreement and/or the Backstop Loan Agreement; the REIT is subject to covenants and restrictions on the conduct of its business prior to completion of the Arrangement or termination of the Arrangement Agreement; the risks of non-completion of the Arrangement on the business of the REIT and market price of the Units; there can be no assurance that the REIT will be able to find another strategic transaction; the REIT is restricted in its ability to solicit Acquisition Proposals from other potential purchasers; the REIT Termination Fee and the right to match may discourage other parties from making a superior proposal; the REIT being required to pay the Purchaser the REIT Termination Payment or the Purchaser being required to pay the REIT the Purchaser Termination Payment; even if the Arrangement Agreement is terminated without payment of a REIT Termination Fee, the REIT may, in the future, be required to pay a termination fee in certain circumstances; the pending Arrangement may divert the attention of the REIT’s management; uncertainty surrounding the Arrangement could adversely affect the REIT’s retention of tenants and suppliers; risks relating to tax matters; risks related to securities class actions, derivative lawsuits and other legal claims; risks associated with negative publicity; fees, costs and expenses of the Arrangement are not recoverable; the fact that certain Trustees and senior officers of the REIT have interests in the Arrangement that may be different from, or in addition to, the interests of Voting Unitholders generally; ability of the REIT to draw on the Backstop Loan Agreement; risks of default under the REIT’s Senior Credit Agreement; risks associated with the ability to access public and private capital; viability, liquidity and capital constraint risks; the Arrangement not being completed on the terms, or in accordance with the timing, currently contemplated, or at all. See "*Risk Factors*".

Q: Who is entitled to vote at the Meeting?

A: Voting Unitholders as at the close of business on October 22, 2024, the Record Date established by the Trustees, are entitled to vote at the Meeting in respect of the Voting Units held as of the close of business on the Record Date. Each Voting Unit entitles the holder to one vote on the items of business at the Meeting. See "*Voting Information — Questions and Answers about Voting and the Meeting*".

Q: What if I acquire Voting Units after the Record Date?

A: Voting Unitholders as at the close of business on the Record Date are entitled to receive notice of, attend, be heard and vote at the Meeting, and to vote in respect of the Voting Units held as at the close of business on the Record Date. Voting Units acquired after the Record Date do not confer the entitlement as referenced above.

Q: When is the proxy cut-off?

A: The proxy cut-off is at 9:30 a.m. (Edmonton time) on November 22, 2024 which is 48 hours (excluding Saturday and Sunday) before the day of the Meeting (or no later than less than 48 hours, excluding Saturdays, Sundays and holidays, before any reconvened meeting if the Meeting is adjourned or postponed). The Chair of the Meeting may waive, in their discretion, the time limit for the deposit of proxies by Voting Unitholders if the Chair of the Meeting deems it advisable to do so. If you are a non-registered Unitholder, you will need to give your voting instructions to your intermediary, so you should allow sufficient time for your intermediary to receive your instructions and submit them to the Transfer Agent. Each intermediary has its own deadline so Unitholders will need to follow the instructions on the voting instruction form. See "*Voting Information — Questions and Answers about Voting and the Meeting*".

Q: Who is soliciting my proxy?

A: Proxies are being solicited by management and the Trustees of the REIT. The solicitation of proxies for the Meeting will be made primarily by mail, but proxies may also be solicited personally, in writing or by telephone by representatives of the REIT, including Laurel Hill, the strategic unitholder advisor and proxy solicitation agent retained by the REIT. The REIT will bear the cost in respect of the solicitation of proxies for the Meeting and will bear the legal, printing and other costs associated with the preparation of this Circular and any additional solicitation materials that the REIT and its agents may prepare. See "*Voting Information — Questions and Answers about Voting and the Meeting*".

Q: How do I vote?

A: If you are a registered Voting Unitholder, you may vote in person at the Meeting or you may sign the form of proxy sent to you, appointing the named persons or some other person you choose, who need not be a Voting Unitholder, to represent you as proxyholder and vote your Voting Units at the Meeting. Whether or not you plan to attend the Meeting, you are requested to vote your Voting Units. If you wish to vote by proxy, you should complete and return the form of proxy, which can be submitted by mail or over the internet. See "*Voting Information — Questions and Answers about Voting and the Meeting*".

Signing a form of proxy gives authority to the individual named in that form of proxy, being Richard Kirby (Chair of the Independent Committee), or failing him, Naomi Stefura (Chief Financial Officer and Trustee of the REIT), to vote your Voting Units at the Meeting. However, you have the right to appoint someone else to represent you at the Meeting, but only if you provide that instruction on the form of proxy. If voting instructions are given on your form of proxy or voting instruction form, then your proxyholder must vote your Voting Units in accordance with those instructions. If no

voting instructions are given, then your proxyholder may vote your Voting Units as they see fit. If you appoint the proxyholders named on the form of proxy, who are representatives of the REIT, and do not specify how they should vote your Voting Units, then your Voting Units will be voted **FOR** the Arrangement Resolution. See "*Voting Information — Questions and Answers about Voting and the Meeting*".

Q: Can I appoint someone else to vote?

A: Yes. You have the right to appoint a person or company to represent you at the Meeting other than the Trustees of the REIT designated in the form of proxy. Write the name of this person, who need not be a Voting Unitholder, in the blank space provided on the form of proxy and deposit your form of proxy by mail or internet. It is important to ensure that any other person you appoint is aware that they have been appointed to vote your Voting Units, as per your voting instructions and attends the Meeting in person, otherwise your Voting Units will not be voted. Proxyholders should, upon arrival at the Meeting, present themselves to a representative of the Transfer Agent. See "*Voting Information — Questions and Answers about Voting and the Meeting*".

Q: Can I revoke my proxy after I have submitted it?

A: Yes. If you are a registered Voting Unitholder and have submitted a proxy and later wish to revoke it, you can do so by: (a) completing and signing a form of proxy bearing a later date and depositing it with the Transfer Agent as described above; (b) depositing an instrument in writing executed by the registered Voting Unitholder or by such Voting Unitholder's personal representative authorized in writing (i) at the office of the Transfer Agent at Odyssey Trust Company, 702-67 Yonge Street, Toronto, Ontario M5E 1J8, at any time up to 9:30 a.m. (Edmonton time) on November 22, 2024, which is 48 hours preceding the date of the Meeting at which the proxy is to be used (or no later than 48 hours, excluding Saturdays, Sundays and holidays, before any reconvened meeting if the Meeting is adjourned or postponed), or (ii) with the Chair of the Meeting prior to the commencement of the Meeting on the day of the Meeting, or where the Meeting has been adjourned or postponed, prior to the commencement of the reconvened or postponed Meeting on the day of such reconvened or postponed Meeting, or (c) in any other manner permitted by law. If you attend the Meeting but do not vote by poll, your previously submitted proxy will remain valid.

Non-registered Unitholders who wish to change their vote must make appropriate arrangements with their respective dealers or other intermediaries. If you are a non-registered Unitholder, you can revoke your prior voting instructions by following the instructions of such intermediary. Contact your intermediary if you want to revoke your proxy or change your voting instructions, or if you change your mind and want to vote in person. You must provide your instructions sufficiently in advance of the Meeting to enable your intermediary to act on them. See "*Voting Information — Questions and Answers about Voting and the Meeting*".

Q: How do I vote if my Units are held through an intermediary/broker account?

A: If you are a non-registered Unitholder, you are entitled to direct how your Units are to be voted. You will have received from your intermediary a voting instruction form or form of proxy for the number of Units you beneficially own. You should follow the instructions in the request for voting instructions that you received from your intermediary and contact your intermediary promptly if you need assistance. Whether or not you plan to attend the Meeting, you are requested to vote your Units by completing and returning the voting instruction form or applicable form of proxy as instructed by your intermediary.

For most non-registered Unitholders, voting will be facilitated by Broadridge. These Unitholders will receive a voting instruction form from Broadridge with a 16-digit control number, which can be used to vote:

- Online: http://proxyvote.com
- By Phone: 1-800-474-7493
- By Mail: Using the enclosed prepaid envelope

Because the REIT has limited access to the names of its non-registered Unitholders, if you attend the Meeting, the REIT may have no record of your unitholdings or of your entitlement to vote unless your intermediary has appointed you as proxyholder. Therefore, if you wish to attend and vote at the Meeting, insert your name in the space provided on the voting instruction form and return it by following the instructions provided therein. Do not otherwise complete the form as your vote will be taken at the Meeting. Please register with Odyssey Trust Company upon arrival at the Meeting. See "*Voting Information — Questions and Answers about Voting and the Meeting*".

Q: What is quorum for the Meeting?

A: Pursuant to the terms of the Declaration of Trust, the quorum for any meeting of the Voting Unitholders shall be individuals present in person or represented by proxy, not being less than two in number, representing in the aggregate not less than 10% of the total number of outstanding Voting Units on the record date for the meeting.

Q: Are Voting Unitholders entitled to dissent rights?

A: Only registered Unitholders are entitled to dissent rights on the Arrangement Resolution if they follow the procedures specified in Section 191 of the *Business Corporations Act* (Alberta), as modified and supplemented by the Interim Order and the Plan of Arrangement. If you are a registered Unitholder and wish to exercise Dissent Rights, you should carefully review the requirements summarized in this Circular and the Interim Order and the Plan of Arrangement, which are attached to this Circular as Schedules "F" and "C", respectively, and consult with legal counsel. Holders of SVUs are not entitled to dissent rights on the Arrangement Resolution. See "*Dissent Rights*".

Q: Who can help answer my questions?

A: If you have any questions or need assistance in your consideration of the Arrangement or with the completion and delivery of your proxy, please contact the REIT's strategic unitholder advisor and proxy solicitation agent, Laurel Hill, by telephone toll-free in North America at 1-877-452-7184, outside North America at 1 416-304-0211, or by email at assistance@laurelhill.com. If the Arrangement is completed and you have any questions about receiving your aggregate Per Unit Consideration for your Units under the Arrangement, including with respect to completing the applicable Letter of Transmittal, please contact Odyssey Trust Company, the depositary for the Arrangement, by telephone toll-free in North America at 1-888-290-1175 or outside North America at 1-587-885-0960, by email at corp.actions@odysseytrust.com, or by visiting Odyssey Trust Company’s website at www.odysseytrust.com/ca-en/help.

SUMMARY

The following is a summary of certain information contained in this Circular, including its Schedules. This summary is not intended to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Circular, including its Schedules. Certain capitalized terms used in this summary are defined in the Glossary of Terms attached hereto as Schedule "A". Voting Unitholders are urged to read this Circular and its Schedules carefully and in their entirety.

The Meeting and Record Date

The Meeting will be held on November 26, 2024 at 9:30 a.m. (Edmonton time) as a physical meeting in person at the Windsor Room, Third Floor, Manulife Place, 10180 101st Street, Edmonton, Alberta, T5J 3V5. The Record Date for determining the Voting Unitholders entitled to receive notice of and to vote at the Meeting is October 22, 2024. Only Voting Unitholders of record as of the close of business (Edmonton time) on October 22, 2024, are entitled to receive notice of and to vote at the Meeting, and such Voting Unitholders will only be entitled to vote in respect of the Voting Units held as of the close of business on such date.

Purpose of the Meeting

The purpose of the Meeting is for Voting Unitholders to consider and vote upon the Arrangement Resolution, the full text of which is set out in Schedule "B" to this Circular. See "*The Arrangement — Required Voting Unitholder Approval*" for a description of the Voting Unitholder Approval required to effect the Arrangement.

The REIT Board, after careful consideration and acting on the unanimous recommendation of the Independent Committee after receiving legal and financial advice, the BMO Fairness Opinion, and the Ventum Formal Valuation and Fairness Opinion, has unanimously (with the exception of the Cross Trustees, each of whom declared their interest in, or position as a director and/or officer of, the Purchaser and abstained from voting in respect thereof) determined: (i) that the Arrangement is in the best interests of the REIT and its stakeholders, (ii) that the Consideration to be received by Unitholders is fair, from a financial point of view, to Unitholders, (iii) to approve the execution, delivery and performance of the Arrangement Agreement and other transaction documents to which the REIT is a party, and (iv) to recommend that Voting Unitholders vote FOR the Arrangement Resolution at the Meeting.

Voting at the Meeting

This Circular is being sent to all Voting Unitholders. Only registered Voting Unitholders or the Persons they appoint as their proxyholders are permitted to vote at the Meeting. Non-registered Unitholders should follow the instructions on the forms they receive from their intermediaries so their Units can be voted by the entity that is a registered Unitholder for their Units. No other securityholders of the REIT are entitled to vote at the Meeting. See "*Voting Information — Questions and Answers about Voting and the Meeting*".

The Arrangement Agreement

On September 12, 2024, the REIT, the GP and the Purchaser entered into the Arrangement Agreement, pursuant to which the Parties agreed, subject to certain terms and conditions, to complete the Arrangement. This Circular contains a summary of certain provisions of the Arrangement Agreement, which summary is qualified in its entirety by the full text of the Arrangement Agreement, a copy of which has been filed by the REIT on SEDAR+ at www.sedarplus.ca and on the REIT's website at www.melcorreit.ca/special-meeting. Upon request, the REIT will promptly provide a copy of the Arrangement Agreement free of charge to a Voting Unitholder. See "*Summary of the Arrangement Agreement*".

Parties to the Arrangement

REIT and the GP

The REIT (TSX: MR.UN) is an unincorporated, open-ended real estate investment trust governed by the Laws of the Province of Alberta. The REIT's head office is located at 900, 10310 Jasper Avenue NW, Edmonton AB T5J 1Y8. As at October 25, 2024 the REIT's portfolio consisted of 36 assets totalling approximately 3,072,000 million square feet of gross leased area. The REIT is primarily focused on acquisition and improvement of assets in the Canadian real estate industry. The REIT has an established and diversified portfolio of real estate assets focused on western Canada, featuring stable occupancy and a diversified mix of tenants, some of whom have been in place for over 30 years. The Units are listed for trading on the TSX under the symbol "MR.UN" and the Debentures are listed for trading on the TSX under the symbol "MR.DB.B".

The GP is the general partner of the Limited Partnership. The GP is a corporation incorporated pursuant to the laws of Alberta that is a wholly owned subsidiary of the REIT.

Purchaser

The Purchaser is a diversified real estate development and asset management company that develops and manages mixed-use residential communities, business and industrial parks, office buildings, retail commercial centres and golf courses. The Purchaser owns a diversified portfolio of assets in Alberta, Saskatchewan, British Columbia, Arizona and Colorado.

The Purchaser has been focused on real estate since 1923 and has built over 170 communities and commercial projects across Western Canada and today manages approximately 4.79 million square feet in commercial real estate assets and 455 residential rental units. The Purchaser is committed to building communities that enrich quality of life - communities where people live, work, shop and play.

The Purchaser's headquarters are located in Edmonton, Alberta, with regional offices throughout Alberta and in Kelowna, British Columbia and Phoenix, Arizona. The Purchaser has been a public company since 1968 and trades on the TSX (TSX:MRD).

Consideration to be Received by Unitholders Pursuant to the Arrangement

Pursuant to the terms of the Arrangement Agreement, on Closing, Unitholders will receive, for each Unit they own, the aggregate Per Unit Consideration of $4.95, less any Pre-Arrangement Distribution (if any) and less any applicable withholdings, per Unit in cash. The Per Unit Consideration represents a premium of 46.0% to the REIT's closing Unit price on September 12, 2024, the last trading day prior to the announcement of the Arrangement, and a 61.3% premium to the 30-day volume weighted average Unit price ending September 12, 2024.

Background to the Arrangement

On September 12, 2024, the REIT, the GP, and the Purchaser entered into the Arrangement Agreement pursuant to which the parties agreed, subject to certain terms and conditions, to complete the Arrangement. The Arrangement Agreement is the result of arm's length negotiations between the Independent Committee, on behalf of the REIT, the Purchaser, and their respective advisors.

This Circular contains a summary of certain provisions of the Arrangement Agreement, which summary is qualified in its entirety by the full text of the Arrangement Agreement, a copy of which is available under the REIT's profile on SEDAR+ at www.sedarplus.ca and on the REIT's website at www.melcorreit.ca/special-meeting. See "*The Arrangement — Background to the Arrangement*" for a description of the background to the Arrangement.

Reasons for the Recommendation

The REIT Board formed the Independent Committee to, among other things, evaluate the proposal received from the Purchaser and other alternatives available to the REIT, as well as direct and supervise the negotiations of the Arrangement with the benefit of financial and legal advice. The REIT Board, after careful consideration and acting on the unanimous recommendation of the Independent Committee after receiving legal and financial advice, the BMO Fairness Opinion, and the Ventum Formal Valuation and Fairness Opinion, has unanimously (with certain trustees abstaining) determined that the Arrangement is in the best interests of the REIT and its stakeholders, and is recommending that Voting Unitholders vote **FOR** the Arrangement Resolution for the following reasons, among others:

- ***Best Current Prospect for Maximizing Unitholder Value***. Based on the considerations described in this section and others, the Independent Committee and the REIT Board determined that the Arrangement was the best current prospect for maximizing Unitholder Value.

- ***Significant Premium to Market Price***. As of the date of the Arrangement Agreement, the Arrangement values the Units at an equivalent to $4.95 per Unit, which represents a premium of 46.0% to the September 12, 2024 closing price of the Units on the TSX (the last closing price prior to the announcement of the Arrangement) and a premium of 61.3% to the 30-day VWAP ending September 12, 2024.

- ***Certainty of Value and Immediate Liquidity***. The Consideration to be received by Unitholders is payable entirely in cash and therefore provides Unitholders with certainty of value and immediate liquidity, and removes the risks associated with the REIT remaining an independent public entity, including challenges of operating assets in light of an increasingly difficult environment for Canadian office real estate assets as well as external factors such as macroeconomic factors, changes in interest rates, access to and pricing of debt and equity capital, capitalization rates, political conditions and capital markets conditions that are beyond the control of the REIT, the REIT Board and its management team.

- ***Strategic Process and Review of Strategic Alternatives***. Prior to executing the Arrangement Agreement, the Independent Committee, with the assistance of its legal and financial advisors, undertook a comprehensive, publicly announced strategic review process over a period of approximately five months. The Independent Committee, with the assistance of its financial and legal advisors, and based upon their collective knowledge of the business, operations, financial condition, earnings and prospects of the REIT, as well as their collective knowledge of the current and prospective environment in which the REIT operates (including economic and market conditions), assessed the relative benefits, risks and potential timelines of various alternatives reasonably available to the REIT, including the continued execution of the REIT's strategic business plan and the possibility of soliciting other potential buyers of the REIT. As part of that evaluation process, the Independent Committee concluded that: (i) the Per Unit Consideration to be received by Unitholders is payable entirely in cash and represents compelling value relative to the continued execution of the REIT's strategic business plan; and (ii) it was unlikely that any other party would be willing to acquire the REIT on terms that were more favourable to Unitholders, from a financial point of view, than the Arrangement, and moreover, the Go-Shop Period provided such an opportunity, which did not yield any superior proposals or offers. The Independent Committee ultimately concluded that entering into the Arrangement Agreement with the Purchaser was the most favourable alternative reasonably available.

- ***Viability, Liquidity and Capital Constraints***. Prior to executing the Arrangement Agreement and the Backstop Loan Agreement, the Independent Committee, with the assistance of its legal and financial advisors, conducted a careful review of the REIT's ability to remain a viable publicly traded real estate investment trust and the potential risks and impact on Unitholders related thereto. This analysis was conducted primarily on the current operating environment for office real estate characterized by declining market rents, increasing market vacancies, increasing operating and

leasing costs to retain existing tenants or attract new tenants, specifically related to the REIT's office portfolio which comprises approximately 49% of the REIT's gross leasable area. These factors in combination with the REIT's limited existing liquidity profile, maturities of the REIT's Debentures, mortgages and credit facilities, as well as headwinds associated with accessing meaningful additional debt capital funding (apart from funds available to the REIT under the Backstop Loan Agreement) and headwinds associated with the REIT's ability to access the equity capital markets, led the Independent Committee to conclude there are material risks to the business. In addition, the REIT has had limited success in its efforts to sell properties publicly listed for sale with real estate brokers throughout 2023 and 2024 (particularly with respect to its properties in Saskatchewan), adding to the risks associated with the REIT's ability to remain a viable publicly traded real estate investment trust. The REIT is currently under contract on one potential asset sale (with such contract still subject to a due diligence condition), and continues its normal course efforts to secure appropriate asset divestiture transactions in this challenging market. Such risks impose significant time and capital impediments to the REIT's ability to sustain Unitholder equity value, further exacerbated by the headwinds in the REIT's current operating environment.

- ***No Prospects of Reinstituting the REIT's Distribution in the Foreseeable Future***. As a result of the ongoing liquidity and capital constraints, the Independent Committee concluded that it was unlikely that the REIT could reinstitute distributions in the near to medium term.

- ***Go-Shop Provision***. The Arrangement Agreement contains a "go-shop" provision which allowed the REIT to solicit and engage in discussions and negotiations with respect to potential Acquisition Proposals for a period of 30 days following execution of the Arrangement Agreement and to enter into a Superior Proposal during the Go-Shop Period. During the Go-Shop Period, BMO, the REIT's financial advisor, contacted 100 potential buyers and signed 14 REIT Confidentiality Agreements with potential buyers that were subsequently granted access to non-public information about the REIT. The Go-Shop Period expired at 11:59 p.m. MT on October 15, 2024 with no superior proposal having been received.

- ***Arm's Length Negotiation and Role of the Independent Committee***. The Arrangement is the result of a rigorous arm's length negotiation process that was undertaken between the Independent Committee and its experienced, qualified and independent financial and legal advisors, on the one hand, and the Purchaser and its advisors, on the other hand. The Independent Committee was and is composed entirely of independent trustees of the REIT Board who are free from any conflict of interest with respect to the Purchaser and REIT management.

- ***The Consideration is Supported by an Independent Valuation and Fairness Opinions***. The value of the Consideration is in the range for the fair market value of the Units as concluded in the formal valuation delivered to the Independent Committee by Ventum Financial Corp. dated September 12, 2024. The Ventum Formal Valuation sets out a range of $3.50 to $5.00 for the fair market value of each Unit. Accordingly, the value of the consideration of $4.95 per Unit is well above the midpoint of the range for the fair market value of the Units. The Ventum Formal Valuation and Fairness Opinion was delivered on a fixed fee basis and no portion of the fees payable to Ventum are contingent upon the conclusions reached in the formal valuation or the completion of the Arrangement. In addition, the Independent Committee receive a fairness opinion from each of BMO Nesbitt Burns Inc. and Ventum Financial Corp. that, as of the date thereof, and subject to the assumptions, limitations and qualifications set out therein, the Consideration of $4.95 per Unit to be received by Unitholders pursuant to the Arrangement was fair, from a financial point of view, to Unitholders.

A comprehensive discussion of the reasons for the Independent Committee's and the REIT Board's recommendations to vote **FOR** the Arrangement can be found under "*The Arrangement — Reasons for the Recommendation*" in this Circular.

BMO Fairness Opinion

BMO delivered to the Independent Committee the BMO Fairness Opinion advising that, as of September 12, 2024, and based upon and subject to the assumptions, qualifications and limitations, contained therein, the Consideration of $4.95 to be received by Unitholders under the Arrangement is fair, from a financial point of view, to the Unitholders.

A copy of the BMO Fairness Opinion is attached as Schedule "D". The BMO Fairness Opinion does not constitute a recommendation to Voting Unitholders with respect to the Arrangement Resolution. See "*The Arrangement — BMO Fairness Opinion*" for additional information.

Ventum Formal Valuation and Fairness Opinion

Ventum delivered to the Independent Committee the Ventum Formal Valuation, which reflects Ventum's determination that, as of September 12, 2024, and based upon and subject to the assumptions, limitations, qualifications and other matters set forth therein, the fair market value of the Units was in the range of $3.50 and $5.00 per Unit. Ventum also delivered to the Independent Committee the Ventum Fairness Opinion stating that, as of September 12, 2024, and subject to the assumptions, limitations, qualifications and other matters set forth therein, the Consideration of $4.95 to be received by Unitholders under the Arrangement is fair, from a financial point of view, to such Unitholders. The Ventum Formal Valuation and Fairness Opinion was delivered on a fixed fee basis and no portion of the fees payable to Ventum are contingent upon the conclusions reached in the formal valuation or the completion of the Arrangement.

A copy of the Ventum Formal Valuation and Fairness Opinion is attached as Schedule "E". The Ventum Formal Valuation and Fairness Opinion does not constitute a recommendation to Voting Unitholders with respect to the Arrangement Resolution. See "*The Arrangement — Ventum Formal Valuation and Fairness Opinion*" for additional information.

Recommendation of the Independent Committee

The Independent Committee, after careful consideration and having received advice from its financial and legal advisors and receipt of the verbal BMO Fairness Opinion, Ventum Fairness Opinion and Ventum Formal Valuation, unanimously determined that the Arrangement is fair to Unitholders and is in the best interests of the REIT and its stakeholders. Accordingly, the Independent Committee unanimously recommended that the REIT Board resolve: (a) that the Arrangement is fair to Unitholders and is in the best interests of the REIT and its stakeholders, (b) to approve, and authorize the REIT to enter into, the Arrangement Agreement and Backstop Loan Agreement, and (c) to make a recommendation to the Voting Unitholders that such Voting Unitholders vote **FOR** the Arrangement Resolution at the Meeting.

Recommendation of the REIT Board

The REIT Board, after careful consideration and acting on the unanimous recommendation of the Independent Committee after having received advice from its financial and legal advisors, the BMO Fairness Opinion, and the Ventum Formal Valuation and Fairness Opinion, unanimously (with the exception of the Cross Trustees, each of whom declared their interest in, or position as a director and/or officer of, the Purchaser and abstained from voting in respect thereof) determined: (i) that the Arrangement is in the best interests of the REIT and its stakeholders, (ii) that the Consideration to be received by Unitholders is fair, from a financial point of view, to the Unitholders, (iii) to approve the execution, delivery and performance of the Arrangement Agreement, Backstop Loan Agreement and the other transaction documents to which the REIT is a party, and (iv) to recommend that Voting Unitholders vote **FOR** the Arrangement Resolution at the Meeting. The Cross Trustees, being Mr. Andrew Melton, Ms. Stefura and Mr. Young, each declared their interest in, or position as a director and/or officer of, the Purchaser, to the REIT Board, and as such, abstained from voting on the resolutions relating to the Arrangement and related matters.

Voting Support

Each Trustee and executive officer of the REIT has advised the REIT that they intend to vote or cause to be voted all Voting Units beneficially held, controlled or directed by them in favour of the Arrangement Resolution. Collectively, such Trustees and executive officers hold, directly or indirectly, or exercise control or direction over, an aggregate of 205,185 Units, which represented approximately 0.71% of the issued and outstanding Voting Units and 1.58% of the issued and outstanding Units, respectively, in each case as of the Record Date.

In addition, pursuant to the terms of the Arrangement Agreement, the Purchaser has agreed to cause all of the Voting Units of the REIT held by it (being 16,125,147 SVUs, which represent approximately 55.4% of the issued and outstanding Voting Units), or over which it exercises control or direction, to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) all of such Voting Units (i) in favour of the approval of the Arrangement Resolution, and (ii) in favour of any other matter necessary for the consummation of transactions contemplated by the Arrangement Agreement. Notwithstanding the foregoing, all Voting Units held by the Purchaser and any Interested Party (including, without limitation, Voting Units held by each director and officer of the Purchaser) will not be counted for purposes of the tabulation of the "minority approval" of the Arrangement Resolution in accordance with MI 61-101. See "*The Arrangement — Voting Support*" and "*The Arrangement — Canadian Securities Law Matters*".

Plan of Arrangement Steps

The following is a description of the specific steps to be implemented as part of the Arrangement (the "**Arrangement Steps**"). The following description is qualified in its entirety by reference to the full text of the Plan of Arrangement which is attached as Schedule "C" to this Circular. All capitalized words and terms used in this section but not otherwise defined in the Glossary of Terms attached as Schedule "A" to this Circular have the meanings set forth in the Plan of Arrangement. Commencing at the Effective Time, each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five-minute intervals starting at the Effective Time:

(a) The Constating Documents of each of the REIT, the GP and the Limited Partnership shall be amended to the extent necessary to facilitate the Arrangement and the implementation of the steps and transactions contemplated herein. Without limiting the generality of the foregoing, such amendments shall include, among other things, the amendments to permit payment of the Special Distribution as provided in the Plan of Arrangement, the creation of redemption rights under the Declaration of Trust permitting the REIT to redeem the Units as provided in the Plan of Arrangement, and the Declaration of Trust shall be deemed amended to include the following provision:

(i) "Notwithstanding any other provision of this Declaration of Trust, where tax is required to be withheld from a Unitholder's share of a distribution payable by the issuance of additional Units which are immediately consolidated, unless otherwise determined by the Trustees, the consolidation will result in such Unitholder holding that number of Units equal to (i) the number of Units held by such Unitholder prior to the distribution plus the number of Units received by such Unitholder in connection with the distribution (net of the number of whole and part Units withheld on account of withholding taxes) multiplied by (ii) the fraction obtained by dividing the aggregate number of Units outstanding prior to the distribution by the aggregate number of Units that would be outstanding following the distribution and before the consolidation if no Units were withheld. If required by the REIT or its transfer agent, such Unitholder shall surrender the Unit certificates, if any, representing such Unitholder's original Units in exchange for a Unit certificate representing such Unitholder's post-consolidation Units or direct such other evidence, including a book entry, of its Units be amended to reflect such Unitholder's post-consolidation Units."

(b) The Limited Partnership Agreement shall be deemed amended to reflect that Income for Tax Purposes (as such term is defined in the Limited Partnership Agreement) of the Limited Partnership attributable to the period beginning at the start of its current fiscal year and ending on the Effective Time shall be allocated to the holders of partnership units immediately prior to the Effective Time, such that the REIT will be allocated its proportionate share of such income notwithstanding that the REIT will not be a limited partner of the Limited Partnership at the end of such fiscal year;

(c) The REIT shall be deemed to have distributed the Special Distribution to Unitholders (including Dissenting Holders) of record immediately before the Effective Time in the form of additional Units having a fair market value equal to the amount of the Special Distribution. Such Units are deemed to have been issued and delivered to such Unitholders. Immediately following such distribution of Units, all the Units shall be deemed to have been consolidated so that each Unitholder will hold after the consolidation the same number of Units as the Unitholder held before the Special Distribution, subject to Section (a)(i). Subject to Section (a)(i), each Unit certificate or book entry (or other non-certificated evidence of ownership) representing the number of Units prior to the distribution of additional Units is deemed to represent the same number of Units after the non-cash distribution of additional Units and the consolidation;

(d) The Limited Partnership shall be deemed to borrow from the Purchaser an amount equal to the Debenture Repayment Amount and the Limited Partnership shall be deemed to have directed payment of such loan amount to the REIT in final satisfaction of amounts owing pursuant to the Debenture Proceeds Note. Payment of an amount equal to the Debenture Repayment Amount by the Purchaser to the Depositary, as trustee under the Debenture Indenture, to be held pending further direction from the REIT, shall constitute the advance of the loan from the Purchaser to the Limited Partnership and repayment of the Debenture Proceeds Note in full.

(e) Each GP Share outstanding immediately prior to the Effective Time shall be deemed to have been transferred, without any further act or formality by or on behalf of the REIT or the GP, to the Purchaser in consideration for the GP Share Consideration, and:

(i) the REIT shall cease to be the holder of such GP Shares and to have any rights as holder of such GP Shares other than the right to be paid the GP Share Consideration by the Purchaser in accordance with the Plan of Arrangement;

(ii) the REIT's name shall be removed from the register of the GP Shares maintained by or on behalf of the GP; and

(iii) the Purchaser shall be deemed to be the transferee of such GP Shares (free and clear of all Encumbrances), and shall be entered in the register of the GP Shares maintained by or on behalf of the GP;

The GP Share Consideration will be paid by assumption by the Purchaser of one cent ($0.01) owing by the REIT to the GP and payment in cash of sixteen hundred twenty two dollars and one cent ($1,622.01) to the Depositary to be held for further direction by the REIT.

(f) Each Class A LP Unit outstanding immediately prior to the Effective Time shall be deemed to have been transferred, without any further act or formality by or on behalf of the REIT or the GP, to the Purchaser in consideration for the Class A LP Unit Consideration, and:

(i) the REIT shall cease to be the holder of such Class A LP Units and to have any rights as holder of such Class A LP Units other than the right to be paid the Class

A LP Unit Consideration by the Purchaser in accordance with this Plan of Arrangement;

(ii) the REIT's name shall be removed from the register of the Class A LP Units maintained by or on behalf of the Limited Partnership; and

(iii) the Purchaser shall be deemed to be the transferee of such Class A LP Units (free and clear of all Encumbrances), and shall be entered in the register of Class A LP Units maintained by or on behalf of the Limited Partnership;

The Class A LP Unit Consideration will be paid in cash to the Depositary to be held for further direction by the REIT.

(g) Each of the Outstanding Units held by Dissenting Holders in respect of which Dissent Rights have been validly exercised shall be deemed to have been redeemed, without any further act or formality by or on behalf of the Dissenting Holders, by the REIT in consideration for a claim against the REIT for the amount determined under Article 3 of the Plan of Arrangement [*Rights of Dissent*], and:

(i) such Dissenting Holders shall cease to be the registered holders of such Units and to have any rights as holders of such Units other than the right to be paid fair value by the Purchaser for such Units as set out in Article 3 of the Plan of Arrangement [*Rights of Dissent*];

(ii) such Dissenting Holders' names shall be removed as the holders of such Units from the register of Units maintained by or on behalf of the REIT; and

(iii) the REIT shall be deemed to be the transferee of such Units (free and clear of all Encumbrances) and such Units shall thereupon be cancelled.

(h) Each Outstanding Unit, other than Units held by a Dissenting Holder in respect of which Dissent Rights have been validly exercised, shall be deemed to have been redeemed by the REIT, without any further act or formality by or on behalf of the Unitholder, in consideration for the Consideration, and:

(i) the holders of such Units shall cease to be the holders of such Units and to have any rights as holders of such Units other than the right to be paid the Consideration by the Purchaser in accordance with the Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Units maintained by or on behalf of the REIT; and

(iii) the REIT shall be deemed to be the transferee of such Units (free and clear of all Encumbrances), and such Units shall thereupon be cancelled.

The Consideration will be paid using funds held by the Depositary for further direction by the REIT representing the cash portion of the GP Share Consideration and the Class A LP Unit Consideration paid by the Purchaser.

(i) The Depositary shall be deemed to have been directed to pay the following amounts utilizing the GP Share Consideration and Class A LP Unit Consideration held by the Depositary in accordance with Section 4.1 of the Plan of Arrangement [*Payment and Delivery of Consideration*]:

(i) to the REIT, an amount equal to the Consideration that would have been received by the Dissenting Holders if they had not exercised their Dissent Rights;

(ii) to each Unitholder, an amount equal to the Consideration multiplied by the number of Units redeemed by the REIT pursuant to subsection (h), other than Units held by a Dissenting Holder in respect of which Dissent Rights have been validly exercised; and

(iii) to the REIT or such other Person(s) responsible for remitting any withholding taxes required to be withheld in connection with the Plan of Arrangement an amount equal to such withholding taxes.

(j) The SVUs shall be deemed converted into Units of the REIT on a one-for-one basis and the Exchange Agreement shall be deemed terminated.

(k) The releases in Article 5 of the Plan of Arrangement shall become effective.

Voting Unitholder Approval

In order for the Arrangement to proceed, the Arrangement Resolution must be approved by (i) not less than 66 2/3% of the votes cast by Voting Unitholders, voting as a single class, present in person or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast by Voting Unitholders present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to 100% of the SVUs and approximately 2.93% of the Units, which are excluded pursuant to MI 61-101. See "*The Arrangement — Required Voting Unitholder Approval*" and "*The Arrangement — Canadian Securities Law Matters*".

Court Approval of the Arrangement

Under the ABCA, the REIT and the GP were required to obtain the approval of the Court to the calling and holding of the Meeting respecting the Arrangement Resolution. On October 24, 2024, the Court granted the Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order is attached as Appendix "F" to this Circular.

The Arrangement requires approval by the Court under the ABCA. Subject to the approval of the Arrangement Resolution by Voting Unitholders at the Meeting, the hearing in respect of the Final Order is scheduled to take place via a virtual-only live webcast at the Court located at Law Courts, 1A Sir Winston Churchill Square, Edmonton AB T5J 0R2, on November 29, 2024 at 2:00 p.m. (Edmonton time), or as may be otherwise directed by the Court. The Court, when hearing the application for the Final Order, will consider, among other things, whether the Arrangement is fair and reasonable. The Court may approve the Arrangement in any manner it may direct and determine appropriate. See "*The Arrangement — Court Approval*".

Surrender of Certificates and Payment of Consideration to Unitholders

Unitholders will be paid, for each Unit they own, the Per Unit Consideration of $4.95 per Unit, less any Pre-Arrangement Distribution (if any) and less applicable withholdings, in cash as soon as reasonably practicable following the Effective Time, and in the case of registered Unitholders, subject to receipt of a completed and signed Letter of Transmittal and accompanying certificates representing their Units (if applicable) and the other documents required by Odyssey Trust Company.

If the Arrangement Resolution is passed and the Arrangement is implemented, in order to receive the aggregate Per Unit Consideration for their Units, registered Unitholders must complete and sign the Letter of Transmittal enclosed with this Circular and deliver such Letter of Transmittal together with the original

certificate(s) (if applicable) representing the Units and the other documents required by the instructions set out therein to the Depositary in accordance with the instructions contained in the Letter of Transmittal.

Only registered Unitholders are required to submit a Letter of Transmittal. The exchange of Units for the Per Unit Consideration in respect of non-registered Unitholders whose Units are held through CDS is expected to be made with such non-registered Unitholder's intermediary (bank, trust company, securities broker or other nominee) account through the procedures in place for such purposes between CDS and such intermediary. Non-registered Unitholders should contact their intermediary if they have any questions regarding this process, and to arrange for their intermediary to complete the necessary steps to ensure that they receive the Per Unit Consideration for their Units as soon as possible following the completion of the Arrangement. See "*Procedures for the Surrender of Certificates and Payment of Consideration*".

Conditions to the Arrangement Becoming Effective

Completion of the Arrangement is subject to the conditions precedent contained in the Arrangement Agreement having been satisfied or waived by the Purchaser, as applicable, including the following:

- *Mutual Conditions Precedent*: (a) Voting Unitholder Approval having been obtained; (b) the Interim Order and Final Order having been obtained on terms consistent and in accordance with the Arrangement Agreement; (c) no Law is in effect that prohibits or makes consummation of the Arrangement illegal; (d) the Articles of Arrangement having been sent to the Registrar under the ABCA; (e) no Action is proceeding or pending to prohibit or enjoin, or impose any material limitations or conditions on, the Arrangement; and (f) the Arrangement Agreement shall not have been terminated.

- *Conditions for the Benefit of the Purchaser*: (a) the accuracy of the REIT's representations and warranties in the manner described in the Arrangement Agreement; (b) the REIT having complied with its covenants under the Arrangement Agreement in all material respects; (c) no occurrence of a Material Adverse Effect; (d) the aggregate amount (inclusive of repayment of indebtedness, interest, penalties, fees or other amounts payable on payout or acceleration thereof, in ease case, to the extent required) required to be paid in respect of Existing Subsidiary Financing arrangements (excluding the Senior Credit Agreement) which are held by prescribed lenders shall not exceed $30 million; (e) Dissent Rights shall not have been exercised with respect to more than ten percent (10.0%) of the issued and outstanding Units; and (f) the REIT shall have deposited, or caused to be deposited, with the Depositary in escrow an amount equal to the accrued but unpaid interest on the Debentures required to be paid on the Redemption Date of the Debentures.

- *Conditions for the Benefit of the REIT and the GP*: (a) the accuracy of the Purchaser's representations and warranties in the manner described in the Arrangement Agreement; (b) the Purchaser having complied with its covenants under the Arrangement Agreement in all material respects; and (c) the Purchaser shall have deposited, or caused to be deposited, with the Depositary in escrow an amount equal to the Debenture Repayment Amount and funds required to effect payment in full of the Consideration to be paid pursuant to the Arrangement.

See "*Summary of the Arrangement Agreement — Conditions to the Arrangement Becoming Effective*".

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Time in the following circumstances:

- by mutual written agreement of the Purchaser, the REIT and the GP;

- by the Purchaser or the REIT if: (i) Voting Unitholder Approval is not obtained; (ii) any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the

Arrangement or the transactions contemplated by the Arrangement Agreement illegal or otherwise permanently prohibits or enjoins the REIT, the GP or the Purchaser from consummating the Arrangement or the transactions contemplated by the Arrangement Agreement; or (iii) the Effective Time does not occur on or prior to the Outside Date, subject to possible extension as provided in the Arrangement Agreement;

- by the REIT, on its own behalf and on behalf of the GP, if: (i) subject to certain conditions as set out in the Arrangement Agreement, a breach of any representation or warranty, or failure to perform any covenant or agreement on the part of the Purchaser occurs that would cause the Purchaser closing conditions in Section 5.3(a) [*Purchaser Representations and Warranties Condition*] or Section 5.3(b) [*Purchaser Covenants Condition*] of the Arrangement Agreement not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date; and (ii) subject to certain conditions as set out in the Arrangement Agreement, prior to obtaining the Voting Unitholder Approval, the REIT Board authorizes (excluding the Cross Trustees) the REIT to enter into a definitive written agreement (other than a REIT Confidentiality Agreement) with respect to any Superior Proposal; and

- by the Purchaser if: (i) subject to certain conditions as set out in the Arrangement Agreement, a breach of any representation or warranty of, or failure to perform any covenant or agreement on the part of the REIT or the GP (other than a failure caused as a result of an action or step described in subsection (i) of the definition of Permitted Action provided that such action or step does not result in a Material Adverse Effect) occurs that would cause a condition to the Purchaser's obligations to effect the Arrangement not to be satisfied; (ii) prior to obtaining Voting Unitholder Approval, (A) the REIT Board or Independent Committee effects a Change in Recommendation, (B) the REIT Board or the Independent Committee approves or recommends any Acquisition Proposal or execution of a written agreement in respect of an Acquisition Proposal (other than a REIT Confidentiality Agreement), or (C) was in wilful breach of the REIT’s go-shop and non-solicitation covenants in any material respect; and (iii) there has occurred a Material Adverse Effect which is incapable of being cured on or prior to the Outside Date.

See "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement*".

Termination Fees

The Arrangement Agreement requires that the REIT pay the Go-Shop Fee or REIT Termination Fee in certain circumstances. In addition, the Arrangement Agreement requires that the Purchaser pay the Purchaser Termination Fee in certain circumstances. See "*Summary of the Arrangement Agreement — Termination Payments*".

Treatment of Debentures and the Backstop Loan Agreement

If they remain outstanding at the Effective Time, the Debentures will be repaid in connection with the completion of the Arrangement. As a step in the Plan of Arrangement, the Limited Partnership shall be deemed to borrow from the Purchaser an amount equal to the Debenture Repayment Amount and the Limited Partnership shall be deemed to have directed payment of such loan amount to the REIT in final satisfaction of amounts owing pursuant to the Debenture Proceeds Note. Payment of an amount equal to the Debenture Repayment Amount by the Purchaser to the Depositary, as trustee under the Debenture Indenture, to be held pending further direction from the REIT, shall constitute the advance of the loan from the Purchaser to the Limited Partnership and repayment of the Debenture Proceeds Note in full. The funds held by the Depositary representing the Debenture Repayment Amount shall be held and disbursed by the Depositary in accordance with the Debenture Indenture (including any applicable redemption notice) or as otherwise directed by the REIT. See "*The Arrangement — Debentures*".

In the event that the Arrangement has not been completed prior to the maturity date of the Debentures, being December 31, 2024, the REIT may, in its discretion, on behalf of the Limited Partnership as borrower,

and on satisfaction of the conditions contained in the Backstop Loan Agreement, borrow the Debenture Repayment Amount from the Purchaser pursuant to the terms of the Backstop Loan Agreement. Should the Limited Partnership borrower the Debenture Repayment Amount under the terms of the Backstop Loan Agreement, the Limited Partnership shall use the proceeds of such loan to repay in full the Debenture Proceeds Note and the REIT shall use the proceeds from the repayment of the Offering Proceeds Note to redeem or repay, as applicable, the Debentures. The Backstop Loan Agreement is only anticipated to be drawn on in the event the Arrangement is not completed by the earlier of December 17, 2024 or the date set forth in the Redemption Notice, as applicable. The REIT continues to explore all alternatives available to finance the repayment of the Debentures, as well as sourcing financing alternatives that would allow the Limited Partnership to repay the Loan drawn under the Backstop Loan Agreement, if drawn, which may be prepaid without penalty pursuant to its terms. If the REIT or Limited Partnership receives a *bona fide* Debenture Take-Out Proposal, the Purchaser has a right to match the terms of such proposal pursuant to the Backstop Loan Agreement. See "*Summary of the Backstop Loan Agreement*".

Risk Factors

Voting Unitholders should consider a number of risk factors relating to the Arrangement and the REIT in evaluating whether to approve the Arrangement Resolution. These risk factors are discussed herein and/or certain sections of documents publicly filed on the REIT's SEDAR+ profile at www.sedarplus.ca. Readers are encouraged to review the risk factors in full. See "*Risk Factors*".

Income Tax Considerations

Certain income tax considerations relevant to a Unitholder that participates in the Arrangement are described under "*Certain Canadian Federal Income Tax Considerations*" and "*Other Tax Considerations*" Tax matters are complicated, and the income tax consequences of the Arrangement to each Unitholder will depend on their particular circumstances. Unitholders are urged to consult their own tax advisors to determine the particular tax effects to them of the Arrangement and any other consequences to them in connection with the Arrangement under Canadian federal, provincial, or local tax laws and under foreign tax laws, having regard to their own particular circumstances. See "*Certain Canadian Federal Income Tax Considerations*" and "*Other Tax Considerations*".

Dissent Rights

Pursuant to the Plan of Arrangement and the Interim Order, only registered Unitholders may exercise their Dissent Rights in connection with the Arrangement Resolution, pursuant to and in the manner set forth in Section 191 of the ABCA, as modified and supplemented by the Interim Order and the Plan of Arrangement. There can be no assurance that a Unitholder that dissents will receive consideration for their Units of value equal to or greater than the Per Unit Consideration that such Unitholder would have received on completion of the Arrangement if such Unitholder did not exercise their Dissent Rights, however such Unitholder shall receive fair value for their Units.

Only registered Unitholders are entitled to dissent. Unitholders should carefully read the section in this Circular titled "*Dissent Rights*" if they wish to exercise Dissent Rights and seek their own legal advice as failure to strictly comply with the dissent procedures in Section 191 of the ABCA, as modified and supplemented by the Interim Order and the Plan of Arrangement, will result in the loss or unavailability of the right to dissent. See Schedule "F" and "I" to this Circular for a copy of the Interim Order and certain information relating to the Dissent Rights.

Holders of SVUs are not entitled to dissent rights.

Depositary, Paying and Redemption Agent

Odyssey Trust Company has been engaged to act as depositary for the receipt of certificates in respect of the Units and related Letters of Transmittal and as paying and redemption agent with respect to the Arrangement.

Proxy Solicitation Agent

The REIT has retained Laurel Hill to assist in the solicitation of proxies. The solicitation of proxies is on behalf of management and the Trustees of the REIT. Voting Unitholders with questions or who need assistance voting should contact Laurel Hill, by telephone toll-free in North America at 1-877-452-7184, outside North America at +1 416-304-0211, or by email at assistance@laurelhill.com

Interest of Certain Persons in Matters to be Acted Upon

In considering the recommendations of the REIT Board and the Independent Committee with respect to the Arrangement, Voting Unitholders should be aware that the Cross Trustees, being Mr. Andrew Melton, Ms. Stefura and Mr. Young, are, in addition to being trustees and/or officers of the REIT, directors and/or officers and securityholders of the Purchaser, which may create actual or potential conflicts of interest in connection with such transactions. The REIT Board is aware of these interests and considered them along with the other matters described in "*The Arrangement – Reasons for the Recommendation*". See also "*The Arrangement — Interest of Certain Persons in Matters to be Acted Upon*".

Stock Exchange Delisting and Reporting Issuer Status

The Purchaser shall use its commercially reasonable efforts to assist the REIT with the delisting of the Units (and the Debentures, if applicable) from the TSX within a reasonable period of time following the completion of the Arrangement. Following the Effective Date, the Purchaser intends to cause the REIT to apply to cease to be a reporting issuer under the securities legislation of each of the provinces and territories in Canada under which it is currently a reporting issuer (or equivalent) or take or cause to be taken such other measures as may be appropriate to ensure that the REIT is not required to prepare and file continuous disclosure documents under applicable Securities Laws.

VOTING INFORMATION

This Circular is provided in connection with the solicitation of proxies by and on behalf of the management and the Trustees of the REIT for use at the Meeting referred to in the Notice of Meeting to be held on November 26, 2024 at 9:30 a.m. (Edmonton time) and any adjournment or postponement thereof.

This solicitation will be made primarily by sending proxy materials to Voting Unitholders by mail. Proxies may also be solicited personally or by telephone by representatives of the REIT, including Laurel Hill, the strategic unitholder advisor and proxy solicitation agent retained by the REIT. Additionally, the REIT may utilize Broadridge's QuickVote™ system to assist Voting Unitholders with voting their Voting Units. Certain non-registered Unitholders who have not objected to the REIT knowing who they are (non-objecting beneficial owners) may be contacted by Laurel Hill, which is soliciting proxies on behalf of management of the REIT, to conveniently obtain a vote directly over the phone. A Voting Unitholder may vote (or change or revoke their votes) at any other time and in any other applicable manner described in this Circular.

The REIT has engaged Laurel Hill to provide proxy solicitation services. The REIT has agreed to pay Laurel Hill fees of up to $140,000, inclusive of a success fee, plus incidental and customary out-of-pocket expenses and applicable taxes. Pursuant to the terms of Laurel Hill's engagement, Laurel Hill will act as exclusive provider of proxy solicitation services and is subject to certain confidentiality obligations, and the REIT agrees to facilitate involvement from CDS, Broadridge, the Transfer Agent and other necessary parties. Unless otherwise mutually agreed between the REIT and Laurel Hill, Laurel Hill's engagement will terminate upon termination or cancellation of the Meeting. The cost of solicitation, including the costs incurred in the preparation and mailing of this Circular and related proxy materials, will be borne by the REIT. The REIT will also pay the fees and costs of intermediaries for their services in transmitting proxy-related material in accordance with NI 54-101. This Circular will also be posted and made available under the REIT's profile on SEDAR+ at www.sedarplus.ca and on the REIT's website at www.melcorreit.ca/special-meeting.

Who Can Vote

As of the close of business on October 22, 2024, there were 12,963,169 Units issued and outstanding and 16,125,147 SVUs issued and outstanding (all held by the Purchaser), for a total of 29,088,316 Voting Units. Each registered Voting Unitholder at the close of business on October 22, 2024, the record date (the "**Record Date**") established for the purpose of determining Voting Unitholders entitled to receive notice of and to vote at the Meeting, will be entitled to one vote per Unit and one vote per SVU held as of the Record Date, on each matter to be voted on at the Meeting.

For a description of the procedures to be followed by non-registered Unitholders to direct the voting of Units beneficially owned, please refer to the question "*If I am a non-registered Unitholder, how do I vote?*" under "*Voting Information — Questions and Answers about Voting and the Meeting*".

Notice and Access

Under Securities Laws, issuers have the option of using "Notice and Access" to deliver Meeting Materials electronically by providing securityholders with notice of their availability and access to these materials online. The REIT has elected not to use Notice and Access to distribute this Circular, the Notice of Special Meeting and the form of proxy accompanying this Circular (collectively, the "**Meeting Materials**"). Registered Voting Unitholders and non-registered Unitholders will be mailed the Meeting Materials.

Questions and Answers about Voting and the Meeting

Q: What am I voting on?

A: Voting Unitholders will be asked to consider and vote on the Arrangement Resolution, the full text of which is set out in Schedule "B" to this Circular. See "*The Arrangement — Required Voting*

Unitholder Approval" for a description of the Voting Unitholder Approval required to effect the Arrangement.

Q: Who is entitled to vote?

A: Voting Unitholders as at the close of business on October 22, 2024, the Record Date, are entitled to vote in respect of the Voting Units held as at such date. Each Voting Unit held as at such date, entitles the holder to one vote on the items of business at the Meeting.

Q: Am I a registered Unitholder or a non-registered Unitholder?

A: You are a "registered Unitholder" if you hold Units registered in your name and you are a "registered Voting Unitholder" if you hold Units or SVUs registered in your name.

You are a "non-registered Unitholder" if you hold Units that are registered in the name of an intermediary (such as a bank, trust company, securities dealer or broker, or director or administrator of a self-administered RRSP, RRIF, RESP, TFSA or similar plan) or a depository (such as CDS) of which the intermediary is a participant. The vast majority of the REIT's unitholders are non-registered Unitholders.

The REIT understands that, as of the Record Date, all SVUs are held in registered form, and as such, there are no non-registered SVU holders.

Q: If I am a registered Voting Unitholder, how do I vote?

A: If you are a registered Voting Unitholder, you may vote in person at the Meeting or you may sign the form of proxy sent to you, appointing the named persons or some other person you choose, who need not be a Voting Unitholder, to represent you as proxyholder and vote your Voting Units at the Meeting. You will receive a form of proxy in respect of your holding of Voting Units. Whether or not you plan to attend the Meeting, you are requested to vote your Voting Units. If you wish to vote by proxy, you should complete and return the form of proxy.

Q: If I am a non-registered Unitholder, how do I vote?

A: If you are a non-registered Unitholder, you are entitled to direct how your Units are to be voted. You will have received from your intermediary a voting instruction form or form of proxy for the number of Units you beneficially own. You should follow the instructions in the request for voting instructions that you received from your intermediary and contact your intermediary promptly if you need assistance. Whether or not you plan to attend the Meeting, you are requested to vote your Units. If you do not intend to attend the Meeting and vote in person, you should complete and return the voting instruction form or applicable form of proxy as instructed by your intermediary.

For most non-registered Unitholders, voting will be facilitated by Broadridge. These Unitholders will receive a voting instruction form from Broadridge with a 16-digit control number, which can be used to vote:

- Online: http://proxyvote.com
- By Phone: 1-800-474-7493
- By Mail: Using the enclosed prepaid envelope

Because the REIT has limited access to the names of its non-registered Unitholders, if you attend the Meeting, the REIT may have no record of your unitholdings or of your entitlement to vote unless your intermediary has appointed you as proxyholder. Therefore, if you wish to attend and vote in

person at the Meeting, insert your name in the space provided on the voting instruction form and return it by following the instructions provided therein. Please register with Odyssey Trust Company upon arrival at the Meeting. Non-registered Unitholders should carefully follow the instructions of their intermediaries and their service companies, including those instructions regarding when and where the voting instruction form or the form of proxy is to be delivered.

If a non-registered Unitholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on their behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. Voting instruction forms in some cases permit the completion of the voting instruction form by telephone or through the Internet. If a non-registered Unitholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on their behalf), the non-registered Unitholder must complete, sign and return the voting instruction form in accordance with the directions provided.

Additionally, the REIT may utilize Broadridge's QuickVote™ system to assist Voting Unitholders with voting their Voting Units. Certain non-registered Unitholders who have not objected to the REIT knowing who they are (non-objecting beneficial owners) may be contacted by Laurel Hill, which is soliciting proxies on behalf of management of the REIT, to conveniently obtain a vote directly over the phone. A Voting Unitholder may vote (or change or revoke their votes) at any other time and in any other applicable manner described in this Circular.

Q: What if I plan to attend the Meeting and vote in person?

A: If you are a registered Voting Unitholder and plan to attend the Meeting on November 26, 2024 and wish to vote your Voting Units in person at the Meeting, please register with Odyssey Trust Company, the Transfer Agent, upon arrival at the Meeting. Your vote will be taken and counted at the Meeting. If your Units are held in the name of an intermediary and you are a non-registered Unitholder, please refer to the answer to the question "*If I am a non-registered Unitholder, how do I vote*?" for voting instructions.

Q: Who is soliciting my proxy?

A: Proxies are being solicited by management and the Trustees of the REIT. This solicitation will be made primarily by sending proxy materials to Voting Unitholders by mail. Proxies may also be solicited personally or by telephone by employees or representatives of the REIT, including Laurel Hill, the strategic unitholder advisor and proxy solicitation agent retained by the REIT. Laurel Hill can be contacted by telephone toll-free in North America at 1-877-452-7184, outside North America at 1 416-304-0211, or by email at assistance@laurelhill.com.

Q: What if I sign the form of proxy sent to me?

A: Signing a form of proxy gives authority to the individual named in that form of proxy, being Richard Kirby, or failing him, Naomi Stefura, to vote your Voting Units at the Meeting. However, you have the right to appoint someone else to represent you at the Meeting, but only if you provide that instruction on the form of proxy. See the answer to the question "*Can I appoint someone else to vote my Voting Units?*".

If voting instructions are given on your form of proxy or voting instruction form, then your proxyholder must vote your Voting Units in accordance with those instructions. If no voting instructions are given, then your proxyholder may vote your Voting Units as they see fit. If you appoint the proxyholders named on the form of proxy who are representatives of the REIT, and do not specify how they should vote your Voting Units, then your Voting Units will be voted **FOR** each of the matters referred to in the form of proxy.

Q: Can I appoint someone else to vote my Voting Units?

A: Yes. You have the right to appoint a person or company to represent you at the Meeting other than the Trustees of the REIT designated in the form of proxy. Write the name of this person, who need not be a Voting Unitholder, in the blank space provided on the form of proxy and deposit your form of proxy by mail or internet. It is important to ensure that any other person you appoint is aware that they have been appointed to vote your Voting Units, as per your voting instructions and attends the Meeting in person, otherwise your Voting Units will not be voted. Proxyholders should, upon arrival at the Meeting, present themselves to a representative of the Transfer Agent.

Q: How can I vote using my completed proxy?

A: If you are a registered Voting Unitholder, return your completed, signed (by you, or by your attorney authorized in writing, or if you are a corporation, by a duly authorized officer or attorney), and dated (with the date on which it is executed) form of proxy accompanying this Circular to the Transfer Agent, Odyssey Trust Company, in the envelope provided to you by mail at 702-67 Yonge Street, Toronto, Ontario M5E 1J8 or online at https://vote.odysseytrust.com by 9:30 a.m. (Edmonton time) on November 22, 2024. If you are a non-registered Unitholder, you should follow the instructions in the voting instruction form that you received from your intermediary, see "*If I am a non-registered Unitholder, how do I vote?*" above under "*Voting Information — Questions and Answers about Voting and the Meeting*".

Q: How else can I vote?

A: If you are a registered Voting Unitholder, you can vote by mail or internet:

- To vote by mail - see the instructions above under "*How can I vote using my completed proxy*" directly above.

- To vote by internet - a registered Voting Unitholder may vote over the Internet by going to https://vote.odysseytrust.com and following the instructions. Such Voting Unitholder will require a control number (located on the back of the proxy) to identify themselves to the system. The control number contains both letters and numbers and is case sensitive.

If you are a non-registered Unitholder, you should follow the instructions in the voting instruction form that you received from your intermediary to determine whether and how you may vote by internet, see "*If I am a non-registered Unitholder, how do I vote?*" above under "*Voting Information — Questions and Answers about Voting and the Meeting*".

Q: When is the deadline for me to vote by proxy?

A: Regardless of whether you submit your vote by mail or Internet, your vote must be received by the REIT's Transfer Agent no later than 9:30 a.m. (Edmonton time) on November 22, 2024, which is 48 hours before the day of the Meeting (or no later than less than 48 hours, excluding Saturdays, Sundays and holidays, before any reconvened meeting if the Meeting is adjourned or postponed). The Chair of the Meeting may waive, in their discretion, the time limit for the deposit of proxies by Voting Unitholders if they deem it advisable to do so. If you are a non-registered Unitholder, you will need to give your voting instructions to your intermediary, so you should allow sufficient time for your intermediary to receive them and submit them to the Transfer Agent. Each intermediary has its own deadline so Unitholders will need to follow the instructions on the voting instruction form.

Q: If I change my mind, can I submit another proxy or revoke my proxy once I have given it?

A: Yes. If you are a registered Voting Unitholder and have submitted a proxy and later wish to revoke it, you can do so by: (a) completing and signing a form of proxy bearing a later date and depositing it with the Transfer Agent as described above; (b) depositing an instrument in writing that is signed by you (or by someone you have properly authorized to act on your behalf) (i) at the office of the Transfer Agent at Odyssey Trust Company, 702-67 Yonge Street, Toronto, Ontario M5E 1J8 no later than 9:30 a.m. (Edmonton time) on November 22, 2024, which is 48 hours preceding the date of the Meeting at which the proxy is to be used (excluding Saturdays, Sundays and holidays), or (ii) with the Chair of the Meeting on the day of the Meeting before the Meeting starts; or (c) following any other procedure that is permitted by law.

Non-registered Unitholders who wish to change their vote must make appropriate arrangements with their respective dealers or other intermediaries. If you are a non-registered Unitholder, you can revoke your prior voting instructions by following the instructions of such intermediary. Contact your intermediary if you want to revoke your proxy or change your voting instructions, or if you change your mind and want to vote in person. You must provide your instructions sufficiently in advance of the Meeting to enable your intermediary to act on them.

Q: How will my Voting Units be voted if I give my proxy?

A: The persons named on a form of proxy must vote your Voting Units for or against, as applicable, in accordance with your instructions and on any ballot that may be called for. If you do not specify how to vote on a particular matter, your proxyholder is entitled to vote as they see fit. In the absence of directions in a form of proxy received by management, such proxies will be voted **FOR** all resolutions or matters put before Voting Unitholders at the Meeting.

Q: What if amendments are made to these matters or if other matters are brought before the Meeting?

A: The persons named on a form of proxy will have discretionary authority with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. As of the date of this Circular, management of the REIT knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named on the form of proxy will vote on them in accordance with their best judgment.

Q: Who counts the votes?

A: The REIT's Transfer Agent, Odyssey Trust Company, counts and tabulates the proxies.

Q: If I need to contact the Transfer Agent, how do I reach it?

A: For general Voting Unitholder enquiries, you can contact the REIT's Transfer Agent, Odyssey Trust Company, by mail at 702-67 Yonge Street, Toronto, Ontario M5E 1J8 or by telephone, toll-free in North America at 1-888-290-1175 or outside North America at 1-587-885-0960, or by email at shareholders@odysseytrust.com, or on its website at https://odysseytrust.com/ca-en/help/.

Q: Who can help answer my questions?

A: If you have any questions or need assistance in your consideration of the Arrangement or with the completion and delivery of your proxy, please contact the REIT's strategic unitholder advisor and proxy solicitation agent, Laurel Hill, by telephone toll-free in North America at 1-877-452-7184, outside North America at 1 416-304-0211, or by email at assistance@laurelhill.com. If the Arrangement is completed and you have any questions about receiving your aggregate Per Unit

Consideration for your Units under the Arrangement, including with respect to completing the applicable Letter of Transmittal, please contact Odyssey Trust Company, the depositary for the Arrangement, by telephone toll-free in North America at 1-888-290-1175 or outside North America at 1-587-885-0960, or by email at corp.actions@odysseytrust.com.

Principal Holders of Voting Securities

To the knowledge of the Trustees and executive officers of the REIT, as at the date hereof, there are no persons or companies that beneficially own, or control or direct, directly or indirectly, voting securities of the REIT carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the REIT, other than the following:

Name of Voting Unitholder	Type and Number of Voting Units Beneficially Owned	Percentage of Outstanding Voting Units (and class of Voting Units)
Melcor Developments Ltd.(1)	16,125,147 SVUs	100% of SVUs and 55.4% of Voting Units
Telsec Property Corporation(2)	2,942,064 Units	22.7% of Units and 10.1% of Voting Units

Notes:

(1) Based on information obtained from public filings of the Purchaser made on the System for Electronic Disclosure by Insiders ("SEDI") as of October 25, 2024 and information provided to the REIT. The Purchaser holds an approximate 55.4% effective interest in the REIT through ownership of 16,125,147 Class B LP Units of the Limited Partnership and a corresponding number of SVUs of the REIT.

(2) Based on information contained in the October 22, 2024 press release and Form 62-103F1 dated October 22, 2024, available on the REIT's SEDAR+ profile at www.sedarplus.ca and on www.sedi.ca, respectively. Without its joint actors, Telsec Property Corporation owns 650,000 Units and members of the Van Grieken family own 2,292,064 Units, for an aggregate of 2,942,064 Units, representing 22.7% of Units and 10.1% of Voting Units. Telsec Property Corporation and its joint actors jointly own and have control over 3,542,974 Units, representing 27.3% of Units and 12.2% Voting Units (assuming the issuance of 56,180 Units which are issuable on conversion of $500,000 principal amount of Debentures of the REIT held by one of the joint actors).

THE ARRANGEMENT

Background to the Arrangement

The following chronology summarizes key meetings and events that preceded the execution and public announcement of the Arrangement Agreement. The following chronology does not purport to catalogue every conversation among the REIT Board, the Independent Committee, the Trustees and officers of the REIT, the Purchaser, the parties' advisors and other parties.

The Arrangement Agreement is the result of extensive arm's length negotiations between representatives of the Independent Committee, on behalf of the REIT, and the Purchaser, and their respective advisors. The following is a summary of the principal events that preceded the execution and public announcement of the Arrangement Agreement and the Backstop Loan Agreement.

Initial Engagement

As part of their ongoing mandate to act in the best interests of the REIT, including by strengthening its business, enhancing value for Unitholders and considering the interests of all other stakeholders, the REIT Board and senior management routinely consider and assess the REIT's performance, growth prospects, capital requirements and access to capital, liquidity, distribution policy, overall strategy and long-term business plans. This has included, from time-to-time, engagement in informal discussions with the Purchaser, as a significant unitholder and manager of the REIT regarding, among other things, strategic opportunities that may be available to the REIT.

On May 2, 2023, management presented to the REIT Board its liquidity analysis and potential options to consider to address liquidity concerns and the sustainability of the REIT’s distributions, including the sale of assets or a sale, directly or indirectly, of the REIT. As a result of the meeting, it was decided that the REIT would look to asset sales as a means to address the near term liquidity needs of the REIT.

On May 8, 2023, the lead independent trustee of the REIT attended a meeting of the board of directors of the Purchaser to provide an update on recent strategy discussions by the REIT Board and encourage the Purchaser to bring forward options to address the REIT’s liquidity position, including a potential take-private transaction.

On July 27, 2023 and November 2, 2023, management presented to the REIT Board updated liquidity analysis and potential options to consider to address the escalating liquidity concerns and the sustainability of the REIT’s distributions, particularly in light of the REIT’s limited success in its efforts to sell properties publicly listed for sale.

On December 20, 2023, management presented to the REIT Board updated liquidity analysis and potential options to consider to address liquidity concerns, including suspension of the distribution, sales of assets or a sale, directly or indirectly, of the REIT. Ms. Stefura also provided an update that the Purchaser had formed an independent committee on December 15, 2023 to consider the possibility of making an offer to the REIT and that the Purchaser anticipated making an offer in early January 2024. The REIT Board then resolved to form the Independent Committee to review and evaluate alternatives and facilitate consideration of the anticipated offer from the Purchaser. The Independent Committee was comprised of independent trustees Ms. Carolyn Graham (Chair), Ms. Bernie Kollman, Mr. Richard Kirby and Mr. Larry Pollock, each of whom was determined by the REIT Board to be independent of the REIT and the Purchaser. The Independent Committee's mandate was to review and evaluate any proposed transaction involving the Purchaser.

On January 5, 2024, the REIT received a non-binding indication of interest letter from the Purchaser (the "**January Letter**") to explore a potential take-private of the REIT. The January Letter contained a non-binding proposal from the Purchaser to acquire all of the Class A LP Units of the Limited Partnership and all of the shares of the REIT GP for a cash purchase price of $4.65 per Class A LP Unit, with a nominal

amount attributed to the shares of the REIT GP, followed by the Redemption of all outstanding Units at a price of $4.65 per Unit, representing an 8.4% premium to the trading price as of close on January 4, 2024 and a premium of 19.1% to the 30-day VWAP ending January 4, 2024. The January Letter requested a formal response from the REIT by noon MST on January 18, 2024 addressed to the Purchaser and CIBC, financial advisor to the Purchaser.

The Independent Committee met on January 11, 2024 to discuss the January Letter. At this meeting, the Independent Committee resolved to retain DLA Piper as legal counsel to the Independent Committee.

On Monday, January 15, 2024, the Independent Committee met with DLA Piper, BMO and Ms. Stefura. At this meeting, DLA Piper provided members of the Independent Committee with an overview of their fiduciary duties as trustees of the REIT in the context of the Independent Committee's mandate and discussed MI 61-101 considerations and the involvement of management of the REIT in the process since certain members of management of the REIT have positions with the Purchaser. It was determined such members of REIT management would be restricted from access to confidential information relating to the activities and determinations of the Independent Committee, including confidential discussions held during and information conveyed at or in connection with Independent Committee meetings, and that involvement of such management personnel in the transaction process (including assessment of alternatives and negotiation of terms) would be limited primarily to the provision of information to the Independent Committee and its advisors. Following such determination, Ms. Stefura departed the meeting. BMO presented to the Independent Committee its views and expertise on related party transactions, preliminary financial analysis and scope of services of a potential engagement. The Independent Committee reviewed BMO’s qualifications and confirmed that BMO was not subject to any conflicts of interest that would affect its ability to provide meaningful financial advice to the Independent Committee and the REIT.

The Independent Committee formally approved the engagement of BMO at its January 18, 2024 meeting, with a mandate to act as independent valuator and financial advisor to the Independent Committee in connection with the proposed transaction referred to in the January Letter. It was discussed that all work completed by BMO was for the purview of the Independent Committee only.

On January 18, 2024, the Independent Committee met with DLA Piper, BMO and Ms. Stefura. Ms. Stefura attended the meeting for the purpose of providing the Independent Committee with an update on negotiations between the REIT and ATB (the administrative agent, lead arranger, syndication agent, sole bookrunner and a lender under the Senior Credit Agreement) regarding the renewal of the REIT's credit facility, following which Ms. Stefura departed the meeting. Subsequent to Ms. Stefura's departure, the Independent Committee discussed with BMO the proposed terms set forth in the January Letter as well as the optimal means of addressing informational asymmetries as between: (a) the Independent Committee and its advisors, and (b) the Purchaser, in determining appropriate value with the objectives of optimally positioning the Independent Committee to negotiate a favourable price and terms. The Independent Committee and its financial advisors discussed that the proposed price set forth in the January Letter was below expectations, including based on BMO's initial high-level application of various valuation methodologies without access to confidential REIT information including up-to-date financial information and a financial forecast. The Independent Committee also received a presentation from DLA Piper regarding trustee duties and liabilities, and information regarding certain legal aspects of the January Letter.

Between January 18 and January 22, 2024, BMO indicated to CIBC that the proposed price set forth in the January Letter was insufficient, and requested the Purchaser revise the proposed price upwards without providing a specific counter-price. BMO communicated that a price revision would be required to justify the Independent Committee commissioning the independent valuation work that would provide the Independent Committee the information necessary to effectively negotiate a fair per Unit price for minority Unitholders. The Independent Committee and BMO discussed the appropriate scope of work, in the absence of a revised offer from the Purchaser, that would be required, including an underwriting of the REIT's assets for the purpose of completing a fulsome and independent assessment of REIT’s value, to address informational asymmetries, in particular given the difference between IFRS values in the REIT’s financial statements and BMO's preliminary financial analysis, each of which differed significantly from the proposed price set forth in the January Letter. To facilitate negotiations given the REIT’s liquidity position,

BMO, on behalf of the REIT, formally requested to CIBC that the Purchaser cover the costs of the REIT conducting a formal valuation.

On January 22, 2024, the Independent Committee met with DLA Piper and BMO. The Independent Committee discussed next steps, including actions available to the REIT to support unitholder value. In light of cash flow considerations and the upcoming Debenture repayment obligation, the Independent Committee and BMO discussed the anticipated impact of a distribution cut on ongoing negotiations with the Purchaser and on strategic alternatives generally available to the REIT at this point. DLA Piper provided the Independent Committee with information regarding formal valuation requirements and recommendations relating to obtaining fairness opinions in connection with transactions involving a related party under MI 61-101.

On January 23, 2024, the Independent Committee delivered a response letter to the Purchaser and CIBC (the "**January Response Letter**"), communicating the REIT's position that while the offer price contained in the January Letter was insufficient, the REIT remained open to receiving an improved proposal for consideration. In addition, the letter reflected that, should the Purchaser agree to cover the costs relating to an independent valuation, the Independent Committee would be willing to undertake an independent formal valuation for purposes of providing them with an independent view of value on which to engage with the Purchaser.

Also on January 23, 2024, the then-Chair of the Independent Committee provided BMO with management's cashflow projection summary to supplement BMO's ongoing analysis of the REIT's liquidity position. Based on BMO's analysis, it was evident that the REIT was required to immediately consider steps to address a forecasted cash flow and liquidity shortfall given its financial position, upcoming debt refinancings, forecasted lease maturities and capital requirements.

On January 23, 2024, the REIT Board approved an amendment to the Independent Committee's terms of reference permitting the Independent Committee to, among other things, review strategic alternatives outside of the proposal received from the Purchaser, and providing the Independent Committee authority, in connection with any such transaction, to instruct, oversee, manage and supervise, in such manner as the Independent Committee deems appropriate, the negotiation and settlement of the terms, conditions and structure of the REIT's participation in any such transaction.

On February 1, 2024, the Purchaser sent a letter to the Independent Committee (the "**February 1 Letter**"). The February 1 Letter indicated that the Purchaser was not prepared to resubmit an improved proposal or agree to cover the REIT's costs to complete an independent valuation.

On February 2, 2024, the Independent Committee met with BMO, DLA Piper and the remaining REIT Board members. The Cross Trustees provided their observations on the negotiations to date to the Independent Committee, including their understanding that the Purchaser was disinclined to continue negotiations with the REIT at that time.

On the same date, the Independent Committee then met with BMO and DLA Piper to review and consider the February 1 Letter and discuss the preceding meeting with REIT Board members. After receiving advice from its advisors, the Independent Committee discussed potential responses to the Purchaser and next steps. The Independent Committee discussed pursuing a broader strategic review process with a goal of independently determining value and facilitating evaluation of next steps to maximize Unitholder value and address the outstanding Debenture obligation. DLA Piper informed the Independent Committee of their duties going forward in the context of a broader strategic review process, confirming the Independent Committee has authority under its amended terms of reference to independently conduct a strategic review process and seek alternatives to maximize Unitholder value.

Mr. Pollock provided his resignation as a trustee of the REIT on February 4, 2024 and Ms. Graham provided her resignation as a trustee of the REIT on February 5, 2024. Mr. Pollock ceased to be member of the Independent Committee effective immediately and Ms. Graham ceased to be a member of the Independent Committee effective March 5, 2024. Both Mr. Pollock and Ms. Graham ceased to be Trustees of the REIT

effective March 5, 2024. On February 7, 2024, the Independent Committee appointed Mr. Richard Kirby as Chair of the Independent Committee.

On February 7, 2024, February 12, 2024 and February 13, 2024, the Independent Committee met with DLA Piper and BMO to discuss potential next steps. The Independent Committee discussed the proposed timeline for addressing the Debenture maturity, potential actions being considered by REIT management to address the Debentures, and the impact of such considerations on the strategic review process including negotiations with the Purchaser. DLA Piper advised the Independent Committee that the Purchaser's approval would be required in connection with a range of potential strategic alternative transactions involving parties other than the Purchaser.

On February 13, 2024, based on discussions with management and on the recommendation of BMO in connection with their analysis of the REIT's liquidity position, the Independent Committee worked with BMO and DLA Piper on a summary of the Independent Committee's recommendation to the REIT Board which included: (i) a suspension of the REIT's distribution based on their expected cash shortfall, following conversations with management relating to cash flow expectations; (ii) public announcement of a strategic review; and (iii) acceleration of the REIT's asset sale program to help manage the REIT's refinancing risk.

Members of the Independent Committee met with DLA Piper and BMO on February 20, 2024. At this meeting, following the advice received from its advisors to date, the Independent Committee determined it was in the best interests of the REIT to launch a strategic review process including conducting a valuation independent from management.

Following the meeting on February 20, 2024, Mr. Kirby delivered a letter to the Purchaser and CIBC indicating that, since February 1, 2024, the REIT has attempted to address the Purchaser's desire for more meaningful feedback through its financial advisor, BMO, by sharing enhanced disclosure with respect to approaches to value and areas of potential variance in BMO's preliminary analysis as compared to CIBC's more complete undertaking. Despite collective efforts to find common ground, at such time the REIT saw no path forward in connection with a proposed transaction as contemplated by the January Letter, but communicated that it remained open to revisiting dialogue in the future should circumstances change.

Commencement of Strategic Review Process

On February 22, 2024, the REIT publicly announced the commencement of the strategic review process and suspension of distributions, to improve the REIT's financial flexibility as it continued to advance its short and long term objectives and preserve Unitholder value.

From February 22, 2024 through March 14, 2024, the Independent Committee engaged in discussions with and assessed the credentials of multiple potential financial advisors for purposes of engagement as the Independent Committee's financial advisor.

On February 29, 2024, the Independent Committee met with DLA Piper. DLA Piper provided guidance on the strategic review process and the role of management throughout such process. DLA Piper advised the Independent Committee on the considerations relating to related party transactions and involvement of management in the strategic review process. DLA Piper advised the Independent Committee of the nature of the Purchaser's approval rights, as a majority unitholder, under a variety of strategic alternative transaction types. BMO joined the meeting to provide a presentation on acting as financial advisor for the REIT's strategic review process.

On March 14, 2024, the Independent Committee met with DLA Piper and discussed the financial advisor presentations and proposals received to date. After analysis, and taking into consideration, among other factors, BMO's involvement to date with the REIT, its experience with real estate analysis and with MI 61-101 transactions, the Independent Committee resolved to engage BMO to act as financial advisor to the Independent Committee for the purposes of the REIT's strategic review process.

On April 1, 2024, the Independent Committee met with DLA Piper and BMO, during which BMO provided an overview of the strategic review process and work plan.

On April 1, 2024, the Independent Committee, with the assistance of BMO and DLA Piper, and the support of management, began its strategic review, with a comprehensive "bottom-up" property-level financial assessment of the REIT and its assets and liabilities, including (i) a detailed underwriting of the full portfolio by property; (ii) a fundamental value assessment; (iii) a review of the REIT's capital structure and leverage constraints as a result of its operating performance and cash flow profile; (iv) an assessment of the REIT's liquidity position and ability to self-fund capital required to operate the REIT; (v) an in-depth review of the REIT's significant upcoming lease maturities and the REIT's ability to renew the leases, the gross and net effective rents that could be achieved upon a renewal of those leases or through leasing to new tenants, and the investment capital required in doing so; and (vi) the REIT's ability to refinance maturing debt with the aforementioned issues outstanding.

This review involved numerous working sessions between BMO and management to assess each property and the long-term outlook and financial forecast on a property-by-property basis, taking into account management's various ongoing initiatives to enhance operational and financial results of the REIT. In addition, BMO visited certain of the REIT's properties to conduct a visual assessment to support their analysis. This was followed by a broad review of the various strategic alternatives potentially available to the REIT to enhance Unitholder value. This analysis surfaced several potential stand-alone plan alternatives aimed at further strengthening the REIT's ability to achieve its strategic objectives, as well as other "structural" alternatives, which were broader in nature and aimed at surfacing value from the REIT's diversified portfolio nature. Throughout the process, the REIT's financial forecast and business outlook was periodically reviewed by management to take into consideration any required changes as a result of the evolving economic real estate and interest rate environment and specific REIT operating changes including maturities of the REIT's existing leases.

On April 16, 2024, the REIT announced the appointment of Mr. Barry James and Mr. Brandon Kot as new independent Trustees of the REIT effective immediately. Effective immediately, Mr. James was also appointed as a member of the Independent Committee.

On May 17, 2024, BMO provided the Independent Committee with an update on their activities to date, discussing preliminary thoughts on potential strategic alternatives and associated considerations with each, including required involvement or approval by the Purchaser as a majority unitholder in multiple scenarios.

On June 10, 2024, BMO presented the Independent Committee and DLA Piper with the results of its financial review. The main strategic alternatives that were reviewed and presented included, but were not limited to: (i) maintaining the status quo and continuing with the REIT's business plan; (ii) a sale of select assets or sub-portfolios of assets; (iii) a sale of the office portfolio; and (iv) an *en bloc* transaction involving a sale of all of the REIT's issued and outstanding Units or assets. These alternatives were reviewed, analysed, and benchmarked against each other based on the potential value they could generate for Unitholders, taking into consideration their associated benefits and risks as well as several variables which included, but were not limited to, risk factors, pro forma capital structure (leverage, liquidity and financial flexibility available to deploy capital required to maintain and reposition assets), ability to repay or refinance Debentures and other mortgage debt or credit facilities, execution risks, transaction costs and pro forma market trading implications. BMO highlighted the risks associated with the status quo, in light of (a) the REIT's ongoing cashflow concerns as it continues facing material headwinds due to significant macro market challenges in the office market, including declining rents and rising vacancies; (b) significant near-term lease renewals of the REIT, particularly in the office segment; (c) upcoming capital expenditures required to competitively lease or reposition the properties and the REIT's inability to fund such expenditures with existing cashflow and leverage profiles; and (d) the REIT's leverage profile and ability to refinance upcoming maturities, including the REIT's unsecured Debentures and other maturing debt which, based on BMO's analysis, the REIT has minimal secured indebtedness capacity available, requiring the REIT to refinance the Debentures with additional higher interest rate debt.

Following discussion and analysis among BMO, DLA Piper and the Independent Committee, it was determined that BMO would take a dual-track approach to market a broad *en bloc* sale while also marketing individual asset sales, with the understanding that the Purchaser's consent would be required for any *en bloc* sale or sale of all or substantially all assets of the REIT. BMO also advanced a virtual dataroom for the purposes of a broad marketing process to solicit feedback from all potential interested parties. BMO and the Independent Committee also discussed, in multiple Independent Committee meetings, the optimal means of addressing the upcoming maturity of the Debentures, including the potential terms of, and process involved in, the REIT running a consent solicitation process to extend the maturity date of the Debentures, such process requiring approval of at least two thirds of Debenture holders. BMO advised the Independent Committee on the terms likely required to successfully complete a consent solicitation process prior to the Debenture maturity date, including that such would likely, based on precedent transactions and the circumstances of the REIT, result in a significant increase in number of Units that would be required to be issued on conversion of Debentures as well as a significant increase in the applicable interest rate. BMO reviewed with the Independent Committee the possibility of, and anticipated terms of, alternative financing to facilitate the repayment of Debentures. It was discussed that any work regarding the Debentures would be in tandem to work on strategic alternatives.

BMO also reported to the Independent Committee on the receipt of 13 inbound expressions of interest in connection with the announcement of the strategic review process, including sub-portfolio, en bloc, strategic and financing interest. Additionally, on June 28, 2024, one of the interested parties submitted a non-binding proposal, valuing the REIT at $3.08 to $3.36 per Unit. BMO advised that it would continue to liaise with these parties, with a view to soliciting expressions of interest. Moreover, BMO advised it would undertake enhanced engagement upon completion of its strategic review analysis of REIT value.

On June 11, 2024, the Independent Committee met with DLA Piper to discuss BMO's presentation on the results of its underwriting and financial review. The Independent Committee discussed the advice received from BMO and considered next steps, including meetings between BMO, REIT management and representatives of the Purchaser, in its capacity as manager of the REIT and majority Voting Unitholder.

During the second half of June and continuing into the first half of July, BMO had several meetings with management and the Purchaser. BMO met with Mr. Timothy Melton and Ms. Stefura, where they discussed the strategic review process and continued role of the Independent Committee, in light of any potential involvement by the Purchaser as a counterparty to any transaction. BMO had an in person meeting with Mr. Young, Mr. Andrew Melton and Mr. Kirby, where they discussed the strategic review process and status, and separately met with Mr. Timothy Melton and Mr. Kirby, where they discussed the maturing Debentures and that the required analysis to launch a full sale process was complete and the Independent Committee was in a position to launch a full sale process at the time of their choosing. While there were several inbounds from groups who were prepared to participate in a process, the Independent Committee required (including based on input provided by such groups) transparency on the Purchaser's participation in the process or willingness to support an *en bloc* transaction from a third party before any inbound party would be prepared to spend time and money on pursuing the opportunity.

On June 18, 2024, BMO provided the Independent Committee with materials subsequently presented to the REIT Board and management on June 21, 2024 relating to capital expenditures, cashflow and liquidity review and convertible debenture refinancing considerations including the consent solicitation process to amend the terms of the outstanding Debentures.

On July 25, 2024, the Independent Committee met with DLA Piper to discuss the previous REIT Board meeting, at which the Independent Committee presented on BMO's strategic review findings to date and sought REIT Board approval for BMO and DLA Piper to commence work on the consent solicitation process to extend and amend the terms of the Debentures. The Independent Committee also discussed timing for preparation of a press release announcing the results of the strategic review process to date and potential launch of consent solicitation process and full sale process.

On July 30, 2024, at a REIT Board meeting, a resolution was approved by the REIT Board authorizing and directing the commencement, when required, of the consent solicitation process to amend the terms of the

outstanding Debentures subject to the REIT Board reconvening to confirm the same on or before August 30, 2024.

Subsequent Engagement with the Purchaser

On July 29, 2024, the Independent Committee received an updated letter from the Purchaser (the "**July Letter**") to explore a potential take-private of the REIT. The July Letter contained similar terms to the January Letter, with an updated offer price of $4.50, and provided for the Purchaser to pay out the Debentures in accordance with the Debenture terms and for the Purchaser to cover the costs of an independent valuation. The July Letter indicated that the change in price was reflective of the fact that the REIT's occupancy levels had decreased and referenced the decline in the Edmonton office-asset market.

On the evening of July 29, 2024, the Independent Committee met with BMO and DLA Piper to discuss the July Letter. The Independent Committee received analysis and advice from its financial and legal advisors regarding the offer contained in the July Letter and related considerations and BMO presented its illustrative financial analysis of the offer. The Independent Committee discussed with BMO and DLA Piper certain considerations around timing of negotiations with the Purchaser and the need to proceed with a consent solicitation process in parallel with negotiations with the Purchaser, given the Debenture maturity date. DLA Piper advised the Independent Committee on the requirements of MI 61-101 and the need to obtain an independent formal valuation in connection with a potential transaction with the Purchaser.

As the July Letter contained a proposed exclusivity period, the Independent Committee advised BMO to reach out to the third parties who previously expressed potential interest in a transaction with the REIT prior to the Independent Committee executing any potential offer letter with the Purchaser prescribing an exclusivity period.

At the direction of the Independent Committee, on July 30, 2024, BMO communicated a counter offer price of $5.25 to the Purchaser and CIBC.

On August 1, 2024, the Purchaser delivered a further counter offer price of $4.75 to the Independent Committee. On August 2, 2024, the Independent Committee met with DLA Piper and BMO. BMO updated the Independent Committee on its outreach to potentially interested third parties and confirmed it reached out to five parties and received responses from three, two of whom indicated they wanted to confirm the Purchaser's position before proceeding, which was not available at that time. As such, the REIT received no further expressions of interest as a result of BMO's outreach efforts. BMO further provided advice to the Independent Committee on the offer price and exclusivity contained in the July Letter and potential inclusion of a go-shop period.

Based on the Independent Committee's discussions and on advice of its financial and legal advisors, the Independent Committee revised the offer-letter to reflect a $5.05 per Unit price and inclusion of a go-shop provision, with exclusivity offered to August 31, to be confirmed by execution of an exclusivity agreement as a counter offer. BMO sent the revised counter offer to CIBC. The Independent Committee discussed the need to launch a consent solicitation process if the parties have not reached mutual agreement by August 31.

On the evening of August 6, 2024, CIBC sent BMO a revised counter proposal including a price of $4.90 and comments on the exclusivity agreement. There was also a proposed structure which required ATB to extend the time period within which the REIT was required to have either extended, redeemed or secured the funds to satisfy the Debentures from October 31, 2024 to November 30, 2024. The revised counter proposal also included the concept of a "backstop" loan agreement which would provide the REIT with funds to repay the Debentures in the event Voting Unitholders did not vote in favour of the proposed transaction. In addition, the counter proposal included the Purchaser's acceptance of the proposed go-shop period.

The Independent Committee met with DLA Piper and BMO on the morning of August 7, 2024 to discuss the counter offer received and comments on the exclusivity agreement. After discussion, the Independent Committee resolved to provide a further counter offer to the Purchaser at a $5.00 per Unit price.

The Independent Committee reconvened with DLA Piper and BMO on the morning of August 7, 2024, during which the Independent Committee authorized Mr. Kirby to finalize negotiations with the Purchaser, subject to certain parameters.

At this time, Mr. Kirby called the chair of the Purchaser's special committee, Mr. Doug Goss, to verbally request $5.00 per Unit. At the end of that conversation, Mr. Goss verbally confirmed the Purchaser would agree to a price of $4.95 per Unit.

On August 8, 2024, the Independent Committee, acting on behalf of the REIT, executed a final offer letter, acknowledging and confirming the non-binding terms thereof, which included a per Unit price of $4.95. Concurrently, the REIT and the Purchaser executed an exclusivity agreement providing for exclusive negotiations regarding the proposed transaction through 5:00 pm MDT on August 31, 2024 subject to a 15-day extension upon mutual agreement.

Negotiation of Definitive Transaction Agreements

From August 8, 2024 through September 12, 2024, the parties and their advisors negotiated the form of Arrangement Agreement, Plan of Arrangement, Backstop Loan Agreement and ancillary documents. During that period, the parties and their advisors met by telephone on numerous occasions in an attempt to arrive at a common view as to the terms of the proposed transaction.

The Independent Committee met with DLA Piper and BMO on the afternoon of August 15, 2024 to discuss preparation of the Backstop Loan Agreement and the engagement of an independent financial advisor to prepare a formal valuation and fairness opinion. BMO provided the Independent Committee with quotes from three financial advisors for review and consideration. The Independent Committee resolved to engage Ventum to act as independent financial advisor.

On August 21, 2024, the Independent Committee met with DLA Piper and BMO. BMO provided its analysis on the indicative terms of the proposed Backstop Loan Agreement provided by CIBC, on the Purchaser's behalf, to BMO as compared to current market expectations on secured lending from third party lenders. DLA Piper provided the Independent Committee with an overview of the draft definitive documentation terms and points of negotiation, and discussed timing for commencement of consent solicitation work.

On August 28, 2024, the Independent Committee met with DLA Piper and BMO to discuss anticipated execution of an amending agreement to the Senior Credit Agreement and terms thereof, which required the REIT to provide satisfactory evidence to the lenders that it has secured committed funds for repayment of the Debentures by November 30, 2024. The Independent Committee discussed the Backstop Loan Agreement and delivery of same to the lenders as satisfactory evidence of the requirement under the first amending agreement, which provided the Independent Committee with comfort that they did not need to imminently launch a consent solicitation process. On August 29, 2024, ATB provided a "comfort letter" indicating that the Backstop Loan Agreement would be expected to constitute satisfactory evidence that the conditions under the Senior Credit Agreement relating to the Debentures would be met. DLA Piper provided the Independent Committee with an update on negotiation of the definitive documentation. On August 29, 2024, having regard to the ATB "comfort letter" and the ongoing negotiations with the Purchaser (including the expected terms of the Backstop Loan Agreement), the REIT Board resolved to not instruct BMO to commence the consent solicitation process to amend the terms of the outstanding Debentures.

On September 5, 2024, the Independent Committee met with DLA Piper and BMO, during which BMO provided an update on recent discussions with CIBC regarding the transaction, document status and press release review and DLA Piper provided an update on negotiation of documentation to date.

On September 9, 2024, the Independent Committee met with DLA Piper and BMO to discuss the status of negotiations, various agreements and potential timing of a transaction. DLA Piper made a presentation to the Independent Committee on transaction structure, key terms of the Arrangement Agreement and Backstop Loan Agreement and ancillary documents. The presentation included a detailed discussion on tax structuring and implications for the REIT and unitholders, and approvals and consents required for the transaction including unitholder approval and ATB consent.

The Independent Committee negotiated an exclusion under the interim covenants contained in the Arrangement Agreement allowing the REIT to sell assets currently under contract, including the sale of an Alberta asset with a purchase price of approximately $50 million (subject to customary adjustments) that was, and currently remains, under contract. As at the date hereof, this asset sale remains subject to a due diligence condition in favour of the counterparty and, as such, is not guaranteed to close. Should the due diligence condition be waived, the asset sale will be scheduled to close on or about December 8, 2024. The net proceeds of such asset sale (after the payment of the associated mortgage debt) is expected to be approximately $20 million and will be used to satisfy transaction expenses and to reduce indebtedness under the Senior Credit Agreement or to reduce or repay any required draw under the Backstop Loan Agreement, if any. Such asset sale is necessary and advisable in connection with the ongoing business of the REIT and was listed publicly for sale in May, 2024. In the event the Arrangement fails to proceed for any reason, the consummation of such asset sale would be advisable for the ongoing viability of the REIT.

Approval of Definitive Transaction Agreements

By the evening of September 11, 2024, the Arrangement Agreement, Backstop Loan Agreement and ancillary documents were largely finalized among legal counsel.

In the late morning on September 12, 2024, the Independent Committee met with DLA Piper, BMO and Ventum. During the meeting, representatives of DLA Piper provided an update on the terms of the Arrangement Agreement, the Backstop Loan Agreement and ancillary documents, as well as reported on trustee and officer Voting Confirmations and responded to questions from the Independent Committee. Representatives of BMO provided a presentation regarding their analysis of the fairness, from a financial point of view, of the Consideration under the Arrangement Agreement to the Unitholders. Following their presentation, BMO Capital Markets provided its verbal opinion (subsequently confirmed in writing) to the effect that, as of the date thereof, the consideration of $4.95 per Unit to be received by Unitholders pursuant to the Arrangement is fair, from a financial point of view, to the Unitholders. The Independent Committee then received a financial presentation from Ventum on the proposed transaction, and Ventum delivered its verbal formal valuation (subsequently delivered in writing) of the REIT with the determination that the fair market value of the Units was in the range of $3.50 and $5.00 per Unit as well as its verbal fairness opinion (subsequently delivered in writing) confirming that, as of the date thereof, the consideration of $4.95 per Unit to be received by Unitholders pursuant to the Arrangement is fair, from a financial point of view, to the Unitholders. After carefully considering a number of factors and risks in relation to the proposed transaction described elsewhere in this Circular under "*The Arrangement — Background to the Arrangement*" and "*The Arrangement — Reasons for the Recommendation*", and having received advice from its financial and legal advisors and receipt of the verbal BMO Fairness Opinion, Ventum Fairness Opinion and Ventum Formal Valuation, the Independent Committee unanimously determined that the Arrangement is fair to Unitholders and is in the best interests of the REIT and its stakeholders, and unanimously recommended that the REIT Board: (i) approve and authorize the REIT to enter into the Arrangement Agreement, the Backstop Loan Agreement and other transaction documents to which the REIT is a party; and (ii) make a recommendation to the Voting Unitholders to vote in favour of the Arrangement Resolution.

Immediately following the meeting of the Independent Committee, the REIT Board met with DLA Piper and BMO. DLA Piper, on behalf of the Independent Committee, presented a report to the REIT Board that summarized the process undertaken by the Independent Committee, the information the Independent Committee considered in making its recommendations, the reasons for the Independent Committee's recommendations, an overview of the definitive documentation terms and certain risks the Independent Committee considered, all of which are described below under the heading "*The Arrangement— Reasons for the Recommendation*" and "*Risk Factors*". Following the report, the Independent Committee delivered

the recommendations of the Independent Committee described above. In accordance with Section 4.12 of the Amended and Restated Declaration of Trust of the REIT dated May 1, 2013, Mr. Andrew Melton, Ms. Stefura and Mr. Young each declared their interest in, or position as a director and/or officer of, the Purchaser, to the REIT Board, and as such, abstained from voting on the resolutions relating to the Arrangement, the Backstop Loan Agreement and related matters.

After discussing the relative benefits and risks of the Arrangement and various alternatives reasonably available to the REIT and receiving the Independent Committee's report and unanimous recommendation after having received advice from its financial and legal advisors, the verbal BMO Fairness Opinion, the Ventum Formal Valuation and Ventum Fairness Opinion, the REIT Board unanimously (with the exception of the Cross Trustees, each of whom declared their interest in, or position as a director and/or officer of, the Purchaser and abstained from voting in respect thereof) resolved: (i) that the Arrangement is in the best interests of the REIT and its stakeholders, (ii) that the Consideration to be received by Unitholders is fair, from a financial point of view, to Unitholders, (iii) to approve the execution, delivery and performance of the Arrangement Agreement, Backstop Loan Agreement and the other transaction documents to which the REIT is a party, and (iii) to recommend that Voting Unitholders vote **FOR** the Arrangement Resolution at the Meeting.

The Arrangement Agreement, Backstop Loan Agreement and ancillary documents were finalized by DLA Piper and Bryan & Company LLP following the REIT Board meeting and executed copies were exchanged by the REIT and the Purchaser on the evening of September 12, 2024. On the evening of September 12, 2024, the Arrangement was publicly announced.

Copies of the Arrangement Agreement and the Backstop Loan Agreement are available on SEDAR+ at www.sedarplus.ca and on the REIT's website at www.melcorreit.ca/special-meeting.

Go-Shop Process and other Transaction Updates

In announcing the strategic review process in February 2024, the REIT signalled to the market that it was open to alternative proposals. Notwithstanding that the REIT had the benefit of receiving inbound expressions of interest and canvassing the market prior to entering into the Arrangement Agreement, the REIT was able to successfully negotiate a "go-shop" provision in the Arrangement Agreement which allowed the REIT to solicit and engage in discussions and negotiations with respect to potential Acquisition Proposals for an additional 30 days following execution of the Arrangement Agreement to seek a Superior Proposal.

Following the announcement of the Arrangement, with the assistance of BMO, the REIT initiated the "go-shop" process in accordance with the terms of the Arrangement Agreement, pursuant to which the REIT was permitted to actively solicit, evaluate and enter into negotiations with third parties that expressed an interest in acquiring the REIT.

Beginning on September 13, 2024, BMO contacted 100 potential counterparties, which included other real estate investment trusts, real estate operating companies, pension funds, insurance companies, private equity funds and other capital sources. Fourteen (14) of the potential counterparties (the "**Potential Buyers**") contacted by BMO entered into REIT Confidentiality Agreements with the REIT and were provided with access to the REIT's electronic data room, which contained confidential information regarding the REIT, its properties, a detailed financial model, overview of all outstanding indebtedness, third party reports, an overview of all leases and relevant tax information. Some interested parties did not accept entering into a confidentiality and standstill agreement and wished to continue to evaluate the opportunity based on publicly disclosed information.

Between September 13, 2024 and October 16, 2024, the Independent Committee met several times with DLA Piper and BMO to receive updates from BMO in respect of the status of the "go-shop" process and unitholder communications. During this time, BMO engaged in numerous phone conversations, meetings, and email correspondence with more than 15 Potential Buyers in an effort to solicit expressions of interest in acquisition of the REIT.

The Go-Shop Period terminated at 11:59:59 p.m. (Mountain Daylight Time) on October 15, 2024. The Company did not receive any Acquisition Proposals during the Go-Shop Period.

Prior to the opening of markets on October 16, 2024, the REIT issued a news release announcing the expiry of the Go-Shop Period.

On October 25, 2024, FC Private Equity Realty Management Corp. and Telsec Property Corporation issued a press release announcing an unsolicited "mini tender" offer (the "**Mini Tender Offer**") to acquire up to 1,296,316 Units at a price of $4.95 per Unit payable in cash, which offer is stated to remain open for acceptance until 5:00 p.m. (Eastern time) on November 18, 2024.

On October 25, 2024, the REIT issued a press release acknowledging the offer and indicating that the Independent Committee was reviewing the terms of the Mini-Tender Offer with its advisors for the purpose of making a recommendation as to its terms. The REIT's press release advised Unitholders to take no action on the Mini-Tender Offer until a formal recommendation had been made by the REIT to Unitholders.

Recommendation of the Independent Committee

The Independent Committee, after careful consideration and having received advice from its financial and legal advisors and receipt of the verbal BMO Fairness Opinion, Ventum Fairness Opinion and Ventum Formal Valuation, unanimously determined that the Arrangement is fair to Unitholders and is in the best interests of the REIT and its stakeholders. Accordingly, the Independent Committee unanimously recommended that the REIT Board resolve: (a) that the Arrangement is fair to Unitholders and is in the best interests of the REIT and its stakeholders, (b) to approve, and authorize the REIT to enter into, the Arrangement Agreement and Backstop Loan Agreement; and (c) to make a recommendation to the Voting Unitholders that such Voting Unitholders vote **FOR** the Arrangement Resolution at the Meeting.

Recommendation of the REIT Board

The REIT Board, after careful consideration and acting on the unanimous recommendation of the Independent Committee after having received advice from its financial and legal advisors, the verbal BMO Fairness Opinion, and the Ventum Formal Valuation and Fairness Opinion, unanimously (with the exception of the Cross Trustees, each of whom declared their interest in, or position as a director and/or officer of, the Purchaser and abstained from voting in respect thereof) determined: (i) that the Arrangement is in the best interests of the REIT and its stakeholders, (ii) that the Consideration to be received by Unitholders is fair, from a financial point of view, to Unitholders, (iii) to approve the execution, delivery and performance of the Arrangement Agreement, Backstop Loan Agreement and the other transaction documents to which the REIT is a party, and (iv) to recommend that Voting Unitholders vote **FOR** the Arrangement Resolution at the Meeting. The Cross Trustees, being Mr. Andrew Melton, Ms. Stefura and Mr. Young, each declared their interest in, or position as a director and/or officer of, the Purchaser, to the REIT Board, and as such, abstained from voting on the resolutions relating to the Arrangement, the Backstop Loan Agreement and related matters.

Accordingly, the REIT Board has unanimously (with the Cross Trustees abstaining) approved the Arrangement Agreement and recommends that Voting Unitholders vote FOR the Arrangement Resolution.

Reasons for the Recommendation

The REIT Board and the Independent Committee identified a number of factors set out below as being most relevant to its recommendation to Voting Unitholders to vote **FOR** the Arrangement Resolution that will implement the Arrangement. Neither the REIT Board nor the Independent Committee considered it practical to, and did not attempt to, assign relative weights to the various factors. In addition, individual members of the REIT Board and the Independent Committee may have given different weight to different factors. The following discussion of the information and factors considered and evaluated by the REIT Board and the

Independent Committee is not intended to be exhaustive of all factors considered and evaluated by the REIT Board or the Independent Committee. The conclusions and recommendations of the REIT Board and the Independent Committee were made after considering the totality of the information and factors considered.

The Independent Committee and the REIT Board identified a number of factors in respect of their recommendations to vote **FOR** the Arrangement Resolution, including those set out below:

- ***Best Current Prospect for Maximizing Unitholder Value***. Based on the considerations described in this section and others, the Independent Committee and the REIT Board determined that the Arrangement was the best current prospect for maximizing Unitholder Value.

- ***Significant Premium to Market Price***. As of the date of the Arrangement Agreement, the Arrangement values the Units at an equivalent to $4.95 per Unit, which represents a premium of 46.0% to the September 12, 2024 closing price of the Units on the TSX (the last closing price prior to the announcement of the Arrangement) and a premium of 61.3% to the 30-day VWAP ending September 12, 2024.

- ***Certainty of Value and Immediate Liquidity***. The Consideration to be received by Unitholders is payable entirely in cash and therefore provides Unitholders with certainty of value and immediate liquidity, and removes the risks associated with the REIT remaining an independent public entity, including challenges of operating assets in light of an increasingly difficult environment for Canadian office real estate assets as well as external factors such as macroeconomic factors, changes in interest rates, access to and pricing of debt and equity capital, capitalization rates, political conditions and capital markets conditions that are beyond the control of the REIT, the REIT Board and its management team.

- ***Strategic Process and Review of Strategic Alternatives***. Prior to executing the Arrangement Agreement, the Independent Committee, with the assistance of its legal and financial advisors, undertook a comprehensive, publicly announced strategic review process over a period of approximately five months. The Independent Committee, with the assistance of its financial and legal advisors, and based upon their collective knowledge of the business, operations, financial condition, earnings and prospects of the REIT, as well as their collective knowledge of the current and prospective environment in which the REIT operates (including economic and market conditions), assessed the relative benefits, risks and potential timelines of various alternatives reasonably available to the REIT, including the continued execution of the REIT's strategic business plan and the possibility of soliciting other potential buyers of the REIT. As part of that evaluation process, the Independent Committee concluded that: (i) the Per Unit Consideration to be received by Unitholders is payable entirely in cash and represents compelling value relative to the continued execution of the REIT's strategic business plan; and (ii) it was unlikely that any other party would be willing to acquire the REIT on terms that were more favourable to Unitholders, from a financial point of view, than the Arrangement, and moreover, the Go-Shop Period provided such an opportunity, which did not yield any Superior Proposals or offers. The Independent Committee ultimately concluded that entering into the Arrangement Agreement with the Purchaser was the most favourable alternative reasonably available.

- ***Viability, Liquidity and Capital Constraints***. Prior to executing the Arrangement Agreement and the Backstop Loan Agreement, the Independent Committee, with the assistance of its legal and financial advisors, conducted a careful review of the REIT's ability to remain a viable publicly traded real estate investment trust and the potential risks and impact on Unitholders related thereto. This analysis was conducted primarily on the current operating environment for office real estate characterized by declining market rents, increasing market vacancies, increasing operating and leasing costs to retain existing tenants or attract new tenants, specifically related to the REIT’s office portfolio which comprises approximately 49% of the REIT’s gross leasable area. These factors in combination with the REIT’s limited existing liquidity profile, maturities of the REIT’s

Debentures, mortgages and credit facilities, as well as headwinds associated with accessing meaningful additional debt capital funding (apart from funds available to the REIT under the Backstop Loan Agreement) and headwinds associated with the REIT's ability to access the equity capital markets, led the Independent Committee to conclude there are material risks to the business. In addition, the REIT has had limited success in its efforts to sell properties publicly listed for sale with real estate brokers throughout 2023 and 2024 (particularly with respect to its properties in Saskatchewan), adding to the risks associated with the REIT's ability to remain a viable publicly traded real estate investment trust. The REIT is currently under contract on one potential asset sale (with such contract still subject to a due diligence condition), and continues its normal course efforts to secure appropriate asset divestiture transactions in this challenging market. Such risks impose significant time and capital impediments to the REIT's ability to sustain Unitholder equity value, further exacerbated by the headwinds in the REIT's current operating environment.

- ***No Prospects of Reinstituting the REIT's Distribution in the Foreseeable Future***. As a result of the ongoing liquidity and capital constraints, the Independent Committee concluded that it was unlikely that the REIT could reinstitute distributions in the near to medium term.

- ***Go-Shop Provision***. The Arrangement Agreement contains a "go-shop" provision which allowed the REIT to solicit and engage in discussions and negotiations with respect to potential Acquisition Proposals for a period of 30 days following execution of the Arrangement Agreement and to enter into a Superior Proposal during the Go-Shop Period. During the Go-Shop Period, BMO, the REIT's financial advisor, contacted 100 potential buyers and signed 14 REIT Confidentiality Agreements with potential buyers that were subsequently granted access to non-public information about the REIT. The Go-Shop Period expired at 11:59 p.m. MT on October 15, 2024 with no superior proposal having been received.

- ***Arm's Length Negotiation and Role of the Independent Committee***. The Independent Committee, which was and is composed entirely of independent directors of the REIT Board who are free from any conflict of interest with respect to the Purchaser and REIT management, engaged in the evaluation and arm's length negotiation process with the Purchaser, and was advised by experienced, qualified and independent financial and legal advisors. The Independent Committee took an active and independent role in considering all strategic decisions on behalf of the REIT with respect to the Arrangement, and in respect of the negotiations of the Arrangement Agreement. The Arrangement was unanimously recommended to the REIT Board by the Independent Committee.

- ***The Consideration is Supported by an Independent Valuation***. The value of the Consideration is in the range for the fair market value of the Units as concluded in the Ventum Formal Valuation. The Ventum Formal Valuation sets out a range of $3.50 to $5.00 for the fair market value of each Unit. Accordingly, the value of the consideration of $4.95 per Unit is well above the midpoint of the range for the fair market value of the Units. The Ventum Formal Valuation and Fairness Opinion was delivered on a fixed fee basis and no portion of the fees payable to Ventum are contingent upon the conclusions reached in the formal valuation or the completion of the Arrangement.

- ***Receipt of Fairness Opinions***. The Independent Committee has received a written fairness opinion from each of Ventum and BMO, each to the effect that as of September 12, 2024, and based upon and subject to the scope of review, and subject to the analyses, assumptions, limitations, qualifications, and other matters described therein, the Consideration payable to the Unitholders under the Arrangement is fair, from a financial point of view, to such Unitholders. In evaluating the conclusions of the BMO Fairness Opinion and Ventum Fairness Opinion, the Independent Committee noted that, while BMO would be compensated in relation to the Arrangement on a success fee basis, Ventum is independent for purposes of MI 61-101 and would be compensated on a fixed fee basis without regard to the conclusions of its opinion, the Ventum Formal Valuation or the success of the Arrangement. Taking into account the foregoing, the conclusion of the Ventum Fairness Opinion, together with the conclusion of the BMO Fairness Opinion which was confirmatory of the conclusion of the Ventum Fairness Opinion and considered

as secondary support having regard to the compensation of BMO on a success fee basis, provided the Independent Committee and the REIT Board with validation that the strategic review process leading to the Arrangement had produced a transaction that was fair, from a financial point of view, to Unitholders. The full text of such opinions is attached as Schedules "D" and "E", respectively, to the Circular and should be reviewed and considered in their entirety in conjunction with the review of the Circular. See "*The Arrangement — BMO Fairness Opinion*" and "*The Arrangement — Ventum Formal Valuation and Fairness Opinion*".

- ***Reasonable Likelihood of Completion***. The Arrangement is not subject to any financing or due diligence conditions and the Independent Committee and the REIT Board believes that the closing conditions that are outside of the control of the REIT are reasonable, such that the likelihood of the Arrangement being completed is considered by the REIT Board to be high.

- ***Ability to Respond to and Enter into Superior Proposals***. The REIT retains the ability, under the terms of the Arrangement Agreement, to consider and respond to unsolicited Acquisition Proposals and, in accordance with its fiduciary duties, to terminate the Arrangement Agreement in order to enter into a definitive agreement providing for the implementation of a Superior Proposal upon payment of the REIT Termination Fee, in each case subject to the specific terms and conditions set forth in the Arrangement Agreement. The Independent Committee and the REIT Board, based on advice received from their financial advisors, concluded that the $5.8 million REIT Termination Fee payable in connection with the acceptance of a Superior Proposal is reasonable in the circumstances and consistent with market precedents. See "*Summary of the Arrangement Agreement — Go-Shop and Non-Solicitation Covenants*" and "*Summary of the Arrangement Agreement — Termination Payments*".

- ***Purchaser Termination Payment***. The Purchaser is obligated to pay to the REIT the Purchaser Termination Payment of $5.8 million in circumstances involving a breach of the Arrangement Agreement by the Purchaser, including a failure to consummate the Arrangement when required to do so under the terms of the Arrangement Agreement. See "*Summary of the Arrangement Agreement — Termination Payments*".

- ***The Arrangement is fair to other REIT securityholders***. In connection with closing of the Arrangement, holders of Debentures will be repaid in full in accordance with their terms. Accordingly, the Independent Committee believes that the Arrangement is fair to holders of Debentures.

- ***Unitholders have Certain Procedural and Substantive Protections***. The Independent Committee and the REIT Board considered the fact that the Independent Resolution must be approved by: (a) not less than two-thirds of the votes cast by Voting Unitholders in person or by proxy at the Meeting; and (b) not less than a majority of the votes cast by Voting Unitholders in person or by proxy at the Meeting excluding Interested Parties, related parties and their respective joint actors accordance with MI 61-101, to be protective of the rights of Unitholders. The Independent Committee and the REIT Board also considered the fact that the Arrangement must also be approved by the Court, which will consider the fairness of the Arrangement to all Voting Unitholders. In addition, any registered Unitholder who opposes the Arrangement may, on strict compliance with certain conditions, exercise its Dissent Rights and receive the fair value of the Dissenting Units in accordance with the Plan of Arrangement. See "*Dissent Rights*". See "*The Arrangement — Required Voting Unitholder Approval*" and "*The Arrangement — Canadian Securities Law Matters*".

- ***Timing for Completion***. The terms and conditions of the Arrangement Agreement, including the covenants of the REIT and conditions to completion are, in the judgement of the Independent Committee and the REIT Board, after consultation with its advisors, reasonable and can be achieved within the timeframe contemplated by the Arrangement Agreement, with Closing currently expected in the last quarter of 2024. See "*Summary of the Arrangement Agreement*".

- ***Voting Support***. Each Trustee and executive officer of the REIT has advised the REIT that they intend to vote or cause to be voted all Voting Units beneficially held, controlled or directed by them in favour of the Arrangement Resolution. Collectively, such Trustees and executive officers hold, directly or indirectly, or exercise control or direction over, an aggregate of 205,185 Units, which represented approximately 0.71% of the issued and outstanding Voting Units and 1.58% of the issued and outstanding Units, respectively, in each case as of the Record Date. (the "**Voting Confirmations**"). In addition, pursuant to the terms of the Arrangement Agreement, the Purchaser has agreed to cause all of the Voting Units of the REIT held by it, or over which it exercises control or direction, to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) all of such Voting Units (i) in favour of the approval of the Arrangement Resolution, and (ii) in favour of any other matter necessary for the consummation of transactions contemplated by the Arrangement Agreement. Notwithstanding the foregoing, the Purchaser's votes, together with all Interested Parties in accordance with MI 61-101, will be excluded in determining whether minority approval is obtained.

Other Considerations

In making their recommendations, the Independent Committee and the REIT Board also considered several potential risks and other factors resulting from the Arrangement and the Arrangement Agreement and other transaction documents including the risks described under the heading "*Risk Factors*" and the following:

- ***Risks of Non-completion***. The risk to the REIT of the Arrangement not being completed, including the costs to the REIT incurred in pursuing the Arrangement, the consequences of the suspension of the acquisition and other activities of the REIT in accordance with the terms of the Arrangement Agreement and the risk associated with the temporary diversion of the REIT management's attention away from the conduct of the REIT's business in the ordinary course.

- ***Conditions***. The conditions to the parties' obligations to complete the Arrangement and the right of the Purchaser to terminate the Arrangement Agreement under certain limited circumstances.

- ***Restrictions on Acquisition Proposals***. The terms of the Arrangement Agreement in respect of: (i) restricting the REIT from soliciting third parties to make an Acquisition Proposal; (ii) the requirement that in order to constitute a Superior Proposal, among other conditions specified in the Arrangement Agreement, an Acquisition Proposal must result in a transaction more favourable, from a financial point of view, to Unitholders than the Arrangement; and (iii) the fact that, if the Arrangement Agreement is terminated under certain circumstances, the REIT may be required to pay the REIT Termination Fee.

- ***Limited Ability to Sell the REIT En Bloc***. The REIT had difficulty in attracting expressions of interest or proposals from third parties with respect to an alternative transaction.

- ***Cease Participation in the REIT***. Unlike the Purchaser, the current holder of the SVUs, Unitholders will have their Units redeemed as part of the Arrangement and therefore will not realize any benefits of maintaining an investment in the REIT following completion of the Arrangement, including any benefits that may result from any improvement in the financial results or appreciation in the value of the real estate assets.

The foregoing discussion of certain factors considered by the Independent Committee and the REIT Board is not intended to be exhaustive but includes the material factors considered by the Independent Committee and the REIT Board in making their determinations and recommendations with respect to the Arrangement. The Special Committee and the REIT Board did not consider it practicable to, and did not, assign specific weights to the factors considered in reaching their determinations and recommendations and individual Trustees may have given different weights to different factors. Neither the REIT Board nor the Independent Committee reached any specific conclusion with respect to any of the factors or reasons considered, and the above factors are not presented in any order of priority. The foregoing discussion includes forward-

looking information and readers are cautioned that actual results may vary. See "*Cautionary Statement Regarding Forward-Looking Information*".

BMO Fairness Opinion

In deciding to approve the Arrangement, the Independent Committee received the BMO Fairness Opinion.

Engagement of BMO Capital Markets

BMO Capital Markets was contacted by the REIT in respect of a potential advisory engagement in January 2024. BMO was initially engaged in January 2024 to act as independent valuator and financial advisor to the Independent Committee in connection with the proposed transaction referred to in the January Letter. BMO was subsequently engaged by the Independent Committee in March 2024 to act as financial advisor for purposes of the REIT's strategic review process. The Independent Committee entered into an engagement letter with BMO dated March 26, 2024 with regards to its strategic review mandate (the "**BMO Engagement Letter**").

Pursuant to the terms of the BMO Engagement Letter with the REIT, BMO is to be paid fees for its services as financial advisor (including a fee for rendering the BMO Fairness Opinion), a substantial portion of which are contingent upon successful completion of the Arrangement. The REIT has also agreed to reimburse BMO for reasonable out of pocket expenses and to indemnify BMO against certain liabilities that might arise out of its engagement.

BMO is one of North America's largest investment banking firms, with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment research and investment management. BMO has been a financial advisor in a significant number of transactions throughout North America involving public and private companies in various industry sectors and has extensive experience in preparing fairness opinions.

Neither BMO nor any of its affiliates is an "issuer insider", "associated entity" or "affiliated entity" (as those terms are defined in MI 61-101) of the REIT, the GP, the Purchaser or any of their respective associates or affiliates or any other "interested party" (as defined in MI 61-101) in the Arrangement. Neither BMO nor any of its affiliates is an advisor to any party with respect to the Arrangement other than to the REIT. BMO has not been engaged to provide any financial advisory services nor has it participated in any financings involving any such interested parties within the past two years, other than acting as financial advisor to the REIT and the Independent Committee pursuant to the BMO Engagement Letter and pursuant to an engagement letter for the initial mandate dated effective January 12, 2024, which was terminated upon execution of the BMO Engagement Letter.

BMO Fairness Opinion

At a meeting of the Independent Committee held on September 12, 2024 to evaluate the Arrangement, BMO rendered an oral opinion, subsequently confirmed by delivery of a written opinion, to the Independent Committee that, as of that date and based upon and subject to the scope of review, assumptions, limitations and qualifications set forth therein, the consideration of $4.95 per Unit to be received by Unitholders pursuant to the Arrangement is fair, from a financial point of view, to the Unitholders.

The full text of the BMO Fairness Opinion, which sets forth, among other things, assumptions made, procedures followed, information reviewed, qualifications and limitations applicable, matters considered, and the scope of the review undertaken by BMO in connection with rendering such opinion, is attached hereto as Schedule "D". This summary is qualified in its entirety by reference to the full text of the BMO Fairness Opinion. BMO provided its opinion to the Independent Committee for their exclusive use only in their considering of the Arrangement and the BMO Fairness Opinion is not to be used or relied upon by any other Person without the prior written consent of BMO. BMO has not prepared a formal valuation or appraisal of the securities or assets of the REIT or of any of its affiliates and the BMO Fairness Opinion

should not be construed as such. The BMO Fairness Opinion is not, and should not be construed as, advice as to the price at which the securities of the REIT may trade at any time. The BMO Fairness Opinion does not address the relative merits of the Arrangement as compared to other strategic alternatives that might be available to the REIT. The BMO Fairness Opinion is not a recommendation as to how any Voting Unitholder should vote or act on any matter relating to the Arrangement.

In deciding to recommend and approve the Arrangement, the REIT Board and the Independent Committee considered, among other things, the advice and financial analysis provided by BMO referred to above as well as the BMO Fairness Opinion. The BMO Fairness Opinion was only one of many factors considered by the REIT Board and the Independent Committee in evaluating the Arrangement and should not be viewed as determinative of the views of the REIT Board or the Independent Committee with respect to the Arrangement or the consideration to be received by Unitholders pursuant to the Arrangement. In assessing the BMO Fairness Opinion, the REIT Board and the Independent Committee considered and assessed the independence of BMO, taking into account that a material portion of the fees payable to BMO is contingent upon the completion of the Arrangement.

Ventum Formal Valuation and Fairness Opinion

Overview

Pursuant to an engagement letter dated August 15, 2024 (the "**Ventum Engagement Letter**"), the Independent Committee retained Ventum to prepare the Ventum Formal Valuation and Fairness Opinion in connection with the Arrangement and to provide the Ventum Formal Valuation as to the fair market value of the Units in accordance with MI 61-101. Ventum also agreed to deliver the Ventum Fairness Opinion and to provide an opinion regarding the fairness, from a financial point of view, of the Consideration. The Independent Committee engaged Ventum after having concluded that Ventum is qualified and independent for the purposes of MI 61-101, as further described below.

The terms of the Ventum Engagement Letter provide that Ventum will receive a fixed fee for its services to the Independent Committee for the delivery of the written Ventum Formal Valuation and Ventum Fairness Opinion. The REIT has also agreed to reimburse Ventum for its reasonable out-of-pocket expenses and to indemnify Ventum in respect of certain liabilities that may arise out of the engagement of Ventum. No portion of the fees payable to Ventum are contingent on the conclusions reached in the Ventum Formal Valuation or the Ventum Fairness Opinion or on the completion of the Arrangement.

Relationship with Interested Parties

The Ventum Formal Valuation and Fairness Opinion were each prepared by Ventum acting independently. The assessment of Ventum is consistent with the independence requirements of MI 61-101, as detailed in the Ventum Formal Valuation.

In particular, neither Ventum nor any of its affiliates:

(a) is an "associated entity", "affiliated entity" or "issuer insider" (as those terms are defined in MI 61-101) of the REIT, the Purchaser or any Interested Party (as such term is defined in MI 61-101) in the Arrangement, or any of their respective associates or affiliates (collectively, the "Interested Parties" for the purposes of this section entitled "Ventum Formal Valuation and Fairness Opinion");

(b) is acting as financial advisor to any Interested Party in connection with the Arrangement (other than pursuant to the Ventum Engagement Letter);

(c) has a financial incentive in respect of the conclusions reached in the Ventum Formal Valuation and Fairness Opinion or the outcome of the Arrangement;

(d) is a manager or co-manager of a soliciting dealer group formed in respect of the Arrangement (or a member of such a group performing services beyond the customary soliciting dealer's functions or receiving more than the per security or per security holder fees payable to the other members of the group);

(e) is the external auditor of an Interested Party; and/or

(f) has a material financial interest in the completion of the Arrangement.

Neither Ventum nor any of its affiliates has been engaged to provide financial advisory services, other than to prepare the Ventum Formal Valuation and Fairness Opinion, nor has it participated in any financings involving the Interested Parties in the two (2) year period prior to Ventum being contacted by the REIT to provide the Ventum Formal Valuation and Ventum Fairness Opinion. Ventum or its affiliates may, in the future, in the ordinary course of their respective businesses, perform financial advisory, investment banking, or other financial services to one or more of the Interested Parties from time to time.

Ventum acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had, and may in the future have, positions in the securities of the Interested Parties and, from time to time, may have executed or may execute transactions on behalf of any Interested Party or other clients for which it may have received or may receive compensation. As an investment dealer, Ventum conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to one or more Interested Parties or the Arrangement.

Credentials of Ventum

Ventum is an independent Canadian financial services firm that offers an integrated platform of corporate finance, mergers and acquisitions, equity research, institutional sales and trading, and private client services. Ventum has acted as a financial advisor in a significant number of comparable transactions and is regularly engaged in providing financial advice to public and private companies across a variety of sectors, including the real estate industry, and has extensive experience preparing valuations and opinions.

The Ventum Formal Valuation and Fairness Opinion represent the opinion of Ventum as of September 12, 2024, and their form and content has been approved for release by a committee of senior officers of Ventum, each of whom is experienced in merger and acquisition, divestiture, valuation, fairness opinion and capital markets matters.

Scope of Review

In connection with the Ventum Formal Valuation and Fairness Opinion, Ventum made such reviews, investigations, analyses and discussions as it reasonably deemed necessary and appropriate under the circumstances. Ventum also took into account its assessment of securities markets, economic, financial and general business conditions, as well as its experience in securities and business valuation in general, and with respect to similar transactions.

In preparing the Ventum Formal Valuation and Fairness Opinion, Ventum reviewed, among other things, and where it considered appropriate relied upon, certain financial and operational information relating to the REIT, certain reports and information prepared by independent consultants and advisors to the REIT, discussions with management of the REIT and documents provided by the REIT, and other publicly available information about the REIT. Ventum also conducted analyses, investigations, research, interviews, and testing of assumptions as it deemed to be appropriate or necessary in the circumstances. Ventum was not, to the best of its knowledge, denied access by the REIT to any information under the REIT's control which it requested.

Assumptions and Liabilities

As provided for in the Ventum Engagement Letter, Ventum has relied upon the completeness, accuracy and fair presentation of all information, data, representations, opinions, financial statements, management discussion and analysis, internal financial information, and other materials prepared by the REIT relevant to the subject matter of the Arrangement or the Ventum Formal Valuation and Fairness Opinion obtained by Ventum orally or in writing, or otherwise made available to Ventum, by or on behalf of the REIT in connection with the Ventum Engagement Letter. Ventum did not meet with the auditors of the REIT. The Ventum Formal Valuation and the Ventum Fairness Opinion are conditional upon such completeness, accuracy and fair presentation of the foregoing information. Ventum has not been requested to or attempted to verify independently the completeness, accuracy or fairness of presentation of any such information, data, advice, opinions and representations.

Ventum has assumed that forecasts, projections, estimates and budgets provided to it and used in its analysis were reasonably prepared reflecting the best currently available assumptions, estimates and judgments of the management of the REIT, having regard to the REIT's business, plans, financial condition and prospects.

The Ventum Formal Valuation and Fairness Opinion are rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of the REIT and its subsidiaries, as they were reflected in the information provided to Ventum. In its analyses and in preparing the Ventum Formal Valuation and the Ventum Fairness Opinion, Ventum made numerous judgments and assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of Ventum or any party involved in the Arrangement.

Ventum has not undertaken an independent evaluation, appraisal or physical inspection of any assets or liabilities of the REIT or its subsidiaries, is not an expert on, and did not render advice to the REIT regarding, and assumes no and disclaims all liability and obligation in respect of legal, tax, regulatory, or accounting matters concerning the Arrangement.

The Ventum Formal Valuation and Fairness Opinion have been provided for the exclusive use of the Independent Committee in considering the Arrangement and, other than as permitted by the Ventum Engagement Letter, may not be used by any other person or relied upon by any other person other than the Independent Committee without the express prior written consent of Ventum.

Valuation

In arriving at an opinion of fair market value of the Units, Ventum did not attribute any particular weight to any of the valuation approaches in the Ventum Formal Valuation, but rather made qualitative judgments based on its experience in rendering such opinions and on prevailing circumstances, including current market conditions, as to the significance and relevance of each valuation approach and overall financial analysis.

The Ventum Formal Valuation contains Ventum's opinion that, based on the scope of its review and subject to the assumptions, restrictions and limitations provided therein, as of September 12, 2024, the fair market value of the Units was in the range of $3.50 and $5.00 per Unit.

Ventum Fairness Opinion

In connection with the evaluation by the Independent Committee of the Arrangement, following a meeting held on September 12, 2024, Ventum provided the Independent Committee with an oral opinion, which was subsequently confirmed in writing in the Ventum Fairness Opinion, to the effect that, based on its review and analysis, and subject to the assumptions, qualifications and limitations contained therein, Ventum was of the opinion that, as of September 12, 2024, the Consideration to be received by Unitholders (other than

the Purchaser and its affiliates) under the Arrangement is fair, from a financial point of view, to such Unitholders.

This summary of the Ventum Formal Valuation and Fairness Opinion is qualified in its entirety by reference to the full text of the Ventum Fairness Opinion and Formal Valuation, attached as Schedule "E" to this Circular. Voting Unitholders are urged to, and should, read the Ventum Formal Valuation and Fairness Opinion in its entirety.

The full text of the Ventum Formal Valuation and Fairness Opinion describes the scope of review, the assumptions made, procedures followed, matters considered and limitations on the review undertaken by Ventum.

The Ventum Formal Valuation and Fairness Opinion was provided solely for the use of the Independent Committee in connection with, and for the purpose of, its consideration of the Arrangement and may not be used or relied upon by any other person. The Ventum Formal Valuation and Fairness Opinion is not and is not intended to be and does not constitute a recommendation as to how Voting Unitholders should vote in respect of the Arrangement Resolution.

Voting Support

Each Trustee and executive officer of the REIT (collectively, such Trustees and executive officers holding, directly or indirectly, or exercising control or direction over, an aggregate of 205,185 Units, which represented approximately 0.71% of the issued and outstanding Voting Units and 1.58% of the issued and outstanding Units, respectively, in each case as of the Record Date) has advised the REIT that they intend to vote or cause to be voted all Voting Units beneficially held, controlled or directed by them in favour of the Arrangement Resolution.

In addition, pursuant to the terms of the Arrangement Agreement, the Purchaser has agreed to the cause all of the Voting Units of the REIT held by it (being 16,125,147 SVUs, which represent approximately 55.4% of the issued and outstanding Voting Units), or over which it exercises control or direction, to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) all of such Voting Units (i) in favour of the approval of the Arrangement Resolution, and (ii) in favour of any other matter necessary for the consummation of transactions contemplated by the Arrangement Agreement. Notwithstanding the foregoing, the Purchaser's votes, together with all Interested Parties in accordance with MI 61-101, will be excluded in determining whether minority approval is obtained.

Arrangement Steps

The following is a description of the specific steps to be implemented as part of the Arrangement. The following description is qualified in its entirety by reference to the full text of the Plan of Arrangement which is attached as Schedule "C" to this Circular. All capitalized words and terms used in this section have the meanings set forth in the Plan of Arrangement. Commencing at the Effective Time, each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five-minute intervals starting at the Effective Time:

(a) The Constating Documents of each of the REIT, the GP and the Limited Partnership shall be amended to the extent necessary to facilitate the Arrangement and the implementation of the steps and transactions contemplated herein. Without limiting the generality of the foregoing, such amendments shall include, among other things, the amendments to permit payment of the Special Distribution as provided in the Plan of Arrangement, the creation of redemption rights under the Declaration of Trust permitting the REIT to redeem the Units as provided in the Plan of Arrangement, and the Declaration of Trust shall be deemed amended to include the following provision:

(i) "Notwithstanding any other provision of this Declaration of Trust, where tax is required to be withheld from a Unitholder's share of a distribution payable by the issuance of additional Units which are immediately consolidated, unless otherwise determined by the Trustees, the consolidation will result in such Unitholder holding that number of Units equal to (i) the number of Units held by such Unitholder prior to the distribution plus the number of Units received by such Unitholder in connection with the distribution (net of the number of whole and part Units withheld on account of withholding taxes) multiplied by (ii) the fraction obtained by dividing the aggregate number of Units outstanding prior to the distribution by the aggregate number of Units that would be outstanding following the distribution and before the consolidation if no Units were withheld. If required by the REIT or its transfer agent, such Unitholder shall surrender the Unit certificates, if any, representing such Unitholder's original Units in exchange for a Unit certificate representing such Unitholder's post-consolidation Units or direct such other evidence, including a book entry, of its Units be amended to reflect such Unitholder's post-consolidation Units."

(b) The Limited Partnership Agreement shall be deemed amended to reflect that Income for Tax Purposes (as such term is defined in the Limited Partnership Agreement) of the Limited Partnership attributable to the period beginning at the start of its current fiscal year and ending on the Effective Time shall be allocated to the holders of partnership units immediately prior to the Effective Time, such that the REIT will be allocated its proportionate share of such income notwithstanding that the REIT will not be a limited partner of the Limited Partnership at the end of such fiscal year;

(c) The REIT shall be deemed to have distributed the Special Distribution to Unitholders (including Dissenting Holders) of record immediately before the Effective Time in the form of additional Units having a fair market value equal to the amount of the Special Distribution. Such Units are deemed to have been issued and delivered to such Unitholders. Immediately following such distribution of Units, all the Units shall be deemed to have been consolidated so that each Unitholder will hold after the consolidation the same number of Units as the Unitholder held before the Special Distribution, subject to Section (a)(i). Subject to Section (a)(i), each Unit certificate or book entry (or other non-certificated evidence of ownership) representing the number of Units prior to the distribution of additional Units is deemed to represent the same number of Units after the non-cash distribution of additional Units and the consolidation;

(d) The Limited Partnership shall be deemed to borrow from the Purchaser an amount equal to the Debenture Repayment Amount and the Limited Partnership shall be deemed to have directed payment of such loan amount to the REIT in final satisfaction of amounts owing pursuant to the Debenture Proceeds Note. Payment of an amount equal to the Debenture Repayment Amount by the Purchaser to the Depositary, as trustee under the Debenture Indenture, to be held pending further direction from the REIT, shall constitute the advance of the loan from the Purchaser to the Limited Partnership and repayment of the Debenture Proceeds Note in full.

(e) Each GP Share outstanding immediately prior to the Effective Time shall be deemed to have been transferred, without any further act or formality by or on behalf of the REIT or the GP, to the Purchaser in consideration for the GP Share Consideration, and:

(i) the REIT shall cease to be the holder of such GP Shares and to have any rights as holder of such GP Shares other than the right to be paid the GP Share Consideration by the Purchaser in accordance with the Plan of Arrangement;

(ii) the REIT's name shall be removed from the register of the GP Shares maintained by or on behalf of the GP; and

(iii) the Purchaser shall be deemed to be the transferee of such GP Shares (free and clear of all Encumbrances), and shall be entered in the register of the GP Shares maintained by or on behalf of the GP.

The GP Share Consideration will be paid by assumption by the Purchaser of one cent ($0.01) owing by the REIT to the GP and payment in cash of sixteen hundred twenty two dollars and one cent ($1,622.01) to the Depositary to be held for further direction by the REIT.

(f) Each Class A LP Unit outstanding immediately prior to the Effective Time shall be deemed to have been transferred, without any further act or formality by or on behalf of the REIT or the GP, to the Purchaser in consideration for the Class A LP Unit Consideration, and:

(i) the REIT shall cease to be the holder of such Class A LP Units and to have any rights as holder of such Class A LP Units other than the right to be paid the Class A LP Unit Consideration by the Purchaser in accordance with this Plan of Arrangement;

(ii) the REIT's name shall be removed from the register of the Class A LP Units maintained by or on behalf of the Limited Partnership; and

(iii) the Purchaser shall be deemed to be the transferee of such Class A LP Units (free and clear of all Encumbrances), and shall be entered in the register of Class A LP Units maintained by or on behalf of the Limited Partnership;

The Class A LP Unit Consideration will be paid in cash to the Depositary to be held for further direction by the REIT.

(g) Each of the Outstanding Units held by Dissenting Holders in respect of which Dissent Rights have been validly exercised shall be deemed to have been redeemed, without any further act or formality by or on behalf of the Dissenting Holders, by the REIT in consideration for a claim against the REIT for the amount determined under Article 3 of the Plan of Arrangement [*Rights of Dissent*], and:

(i) such Dissenting Holders shall cease to be the registered holders of such Units and to have any rights as holders of such Units other than the right to be paid fair value by the Purchaser for such Units as set out in Article 3 of the Plan of Arrangement [*Rights of Dissent*];

(ii) such Dissenting Holders' names shall be removed as the holders of such Units from the register of Units maintained by or on behalf of the REIT; and

(iii) the REIT shall be deemed to be the transferee of such Units (free and clear of all Encumbrances) and such Units shall thereupon be cancelled.

(h) Each Outstanding Unit, other than Units held by a Dissenting Holder in respect of which Dissent Rights have been validly exercised, shall be deemed to have been redeemed by the REIT, without any further act or formality by or on behalf of the Unitholder, in consideration for the Consideration, and:

(i) the holders of such Units shall cease to be the holders of such Units and to have any rights as holders of such Units other than the right to be paid the Consideration by the Purchaser in accordance with the Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Units maintained by or on behalf of the REIT; and

(iii) the REIT shall be deemed to be the transferee of such Units (free and clear of all Encumbrances), and such Units shall thereupon be cancelled.

The Consideration will be paid using funds held by the Depositary for further direction by the REIT representing the cash portion of the GP Share Consideration and the Class A LP Unit Consideration paid by the Purchaser.

(i) The Depositary shall be deemed to have been directed to pay the following amounts utilizing the GP Share Consideration and Class A LP Unit Consideration held by the Depositary in accordance with Section 4.1 of the Plan of Arrangement [*Payment and Delivery of Consideration*]:

(i) to the REIT, an amount equal to the Consideration that would have been received by the Dissenting Holders if they had not exercised their Dissent Rights;

(ii) to each Unitholder, an amount equal to the Consideration multiplied by the number of Units redeemed by the REIT pursuant to subsection (h), other than Units held by a Dissenting Holder in respect of which Dissent Rights have been validly exercised; and

(iii) to the REIT or such other Person(s) responsible for remitting any withholding taxes required to be withheld in connection with the Plan of Arrangement an amount equal to such withholding taxes.

(j) The SVUs shall be deemed converted into Units of the REIT on a one-for-one basis and the Exchange Agreement shall be deemed terminated.

(k) The releases in Article 5 of the Plan of Arrangement shall become effective.

Effective Date

The Arrangement will become effective on the date shown on the Certificate of Arrangement giving effect to the Arrangement in accordance with the ABCA.

Required Voting Unitholder Approval

In order for the Arrangement to be effected, Voting Unitholders will be asked to consider and, if deemed advisable, approve the Arrangement Resolution and any other related matters at the Meeting. The Arrangement Resolution must be approved by: (i) not less than 66 2/3% of the votes cast by Voting Unitholders, voting as a single class, present in person or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast by Voting Unitholders present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to 100% of the SVUs and approximately 2.93% of Units, which are excluded pursuant to MI 61-101 (together, such approval referred to as "**Voting Unitholder Approval**").

The full text of the Arrangement Resolution is attached as Schedule "B" to this Circular.

Withholding Taxes

Each of the Purchaser, the REIT, the GP, the Depositary and any other Person that makes a payment in connection with the Plan of Arrangement, shall be entitled to deduct and withhold, or direct any other Person to deduct and withhold on their behalf, from the amount payable to any Person under the Plan of Arrangement such amount as the Purchaser, the REIT, the GP, the Depositary or such other Person deems, each acting reasonably, is required to be deducted or withheld pursuant to the Tax Act or any provision of any Law in connection with any step under this Plan of Arrangement and remit such deducted and withheld amount to the appropriate Regulatory Authority. For greater certainty, if an amount is required

to be withheld in connection with the Special Distribution, the Purchaser, the REIT, the GP, the Depositary or any other applicable Person shall be permitted to either withhold such amount from the cash consideration payable to such Unitholder under the Plan of Arrangement or withhold and dispose Units through consolidation pursuant to Section 2.3(c) and Section 4.3 of the Plan of Arrangement. To the extent that any amount is so properly deducted, withheld and remitted, such amount shall be treated for all purposes of the Plan of Arrangement as having been paid to the relevant recipient, provided that such amounts are actually remitted to the appropriate Regulatory Authority.

Tax Implications of Transaction Structure

Holders that participate in the Arrangement are expected to realize taxable income as a result of the Arrangement and Non-Resident Holders may be subject to withholding tax in respect of the Arrangement.

Certain income tax considerations relevant to a Unitholder that participates in the Arrangement are described under "*Certain Canadian Federal Income Tax Consideration*" and "*Other Tax Considerations*". Tax matters are complicated, and the income tax consequences of the Arrangement to each Unitholder will depend on their particular circumstances. Unitholders are urged to consult their own tax advisors to determine the particular tax effects to them of the Arrangement and any other consequences to them in connection with the Arrangement under Canadian federal, provincial, or local tax laws and under foreign tax laws, having regard to their own particular circumstances.

Interest of Certain Persons in Matters to be Acted Upon

Other than this interest and the other interests described below or elsewhere in this Circular, to the knowledge of the Trustees and executive officers of the REIT, no person who has been a Trustee or executive officer of the REIT since the beginning of the REIT's last financial year, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

In considering the recommendations of the REIT Board (excluding the Cross Trustees) and the Independent Committee with respect to the Arrangement, Voting Unitholders should be aware that certain members of the REIT Board and of the REIT's management have interests in connection with the transactions contemplated by the Arrangement that may create actual or potential conflicts of interest in connection with such transactions. Mr. Andrew Melton (Chief Executive Officer and Trustee of the REIT), Ms. Stefura (Chief Financial Officer and Trustee of the REIT) and Mr. Young (Trustee of the REIT) are each directors and/or officers, as applicable, and securityholders of the Purchaser. The REIT Board is aware of these interests and considered them along with the other matters described above in "*The Arrangement – Reasons for the Recommendation*". See also "*The Arrangement – Canadian Securities Law Matters*".

Ownership of Securities of the REIT and Consideration to be Received

The following table sets out, as of the Record Date and October 25, 2024: (a) the names and positions of all current Trustees and executive officers of the REIT and certain former Trustees and, where known after reasonable enquiry, each of their associates and affiliates, and (b) the designation, number and percentage of the outstanding securities of the REIT beneficially owned, directly or indirectly, or over which control or direction is exercised by each such Person and the consideration to be received for such securities pursuant to the Arrangement. All Units held by the Trustees and executive officers of the REIT, and their associates and affiliates, will be treated identically and in the same manner under the Arrangement as Units held by any other Unitholders.

Name and Position with the REIT	Securities of the REIT beneficially owned, directly or indirectly or over which control or direction is exercised[1] Number and Type of Voting Units[1]	Percentage Ownership of Voting Units (and Unit)[2]	Total Estimated Amount of Consideration to Be Received[3]
Andrew Melton, *Chief Executive Officer &Trustee*	144,025 Units	0.50% (1.11%)	$712,924
Naomi Stefura, *Chief Financial Officer & Trustee*	21,560 Units	0.07% (0.17%)	$106,722
Ralph B. Young, *Trustee*	26,800 Units	0.09% (0.21%)	$132,660
Richard Kirby, *Independent Trustee*	Nil Units	Nil (Nil)	Nil
Bernie Kollman, *Independent Trustee*	10,000 Units	0.03% (0.08%)	$49,500
Brandon Kot, *Independent Trustee*	Nil Units	Nil (Nil)	Nil
Barry James, *Independent Trustee*	2,800 Units	0.01% (0.02%)	$13,860
Larry Pollock, *Former Independent Trustee*[4]	85,000 Units	0.29% (0.66%)	$420,750
Carolyn Graham, *Former Independent Trustee*[5]	10,000 Units	0.03% (0.08%)	$49,500

Notes:

(1) The information in the table is current as of October 25, 2024 and is based on information publicly available on SEDI at www.sedi.com.

(2) Percentage ownership of the REIT based on 29,088,316 Voting Units and 12,963,169 Units issued and outstanding as of October 25, 2024.

(3) Subject to applicable withholdings, if any.

(4) Mr. Pollock ceased to be a Trustee of the REIT effective March 5, 2024. His holdings reflected in the table above are based on SEDI filings as at the date he ceased to be a reporting insider of the REIT and may not reflect his current holdings.

(5) Ms. Graham ceased to be a Trustee of the REIT effective March 5, 2024. Her holdings reflected in the table above are based on SEDI filings as at the date she ceased to be a reporting insider of the REIT and may not reflect her current holdings.

Termination and Change of Control Benefits

The REIT has no employment agreements or other agreements with a Trustee or officer of the REIT that contain any payments on termination or change of control.

Indemnification and Insurance

The Arrangement Agreement provides that the Purchaser will, and will cause the REIT and the GP to, subject to certain limitations, indemnify and hold harmless (and to also advance expenses as incurred) (i) each present and former trustee of the REIT and/or director of the GP, in each case including such Persons' respective heirs, executors, administrators and personal representatives (each, an "**Indemnified Person**") against any costs or expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages or liabilities incurred in connection with any claim, inquiry, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or related to such Indemnified Person's service as a trustee of the REIT and director of the GP at or prior to the Effective Time, whether asserted or claimed prior to, at or after the Effective Time, including, without limiting the generality of the foregoing, the approval or completion of the Arrangement or any of the transactions contemplated by the Arrangement Agreement or arising out of or related to the Arrangement Agreement and the transactions contemplated by the Arrangement Agreement. Further, the Arrangement Agreement provides that the Purchaser shall maintain for the REIT's officers', directors' and Trustees' liability insurance policies in effect as of the date of the Arrangement Agreement for a period of not less than six (6) years following the Effective Date,

provided that in no event shall the Purchaser or the REIT be required to pay annual premiums for such insurance in excess of 300% of the current (as of the date of the Arrangement Agreement) annual premiums paid by the REIT.

Debentures

In connection with the completion of the Arrangement, the Debentures, if they remain outstanding at the Effective Time, will be repaid. As a step in the Plan of Arrangement, the Limited Partnership shall be deemed to borrow from the Purchaser an amount equal to the Debenture Repayment Amount and the Limited Partnership shall be deemed to have directed payment of such loan amount to the REIT in final satisfaction of amounts owing pursuant to the Debenture Proceeds Note. Payment of an amount equal to the Debenture Repayment Amount by the Purchaser to the Depositary, as trustee under the Debenture Indenture, to be held pending further direction from the REIT, shall constitute the advance of the loan from the Purchaser to the Limited Partnership and repayment of the Debenture Proceeds Note in full. The funds held by the Depositary representing the Debenture Repayment Amount shall be held and disbursed by the Depositary in accordance with the Debenture Indenture (including any applicable redemption notice) or as otherwise directed by the REIT.

In the event that the Arrangement has not been completed prior to the maturity date of the Debentures, being December 31, 2024, the REIT may, in its discretion, on behalf of the Limited Partnership as borrower, and on satisfaction of the conditions contained in the Backstop Loan Agreement, borrow the Debenture Repayment Amount from the Purchaser pursuant to the terms of the Backstop Loan Agreement. Should the Limited Partnership borrow the Debenture Repayment Amount under the terms of the Backstop Loan Agreement, the Limited Partnership shall use the proceeds of such loan to repay in full the Debenture Proceeds Note and the REIT shall use the proceeds from the repayment of the Offering Proceeds Note to redeem or repay, as applicable, the Debentures. The Backstop Loan Agreement is only anticipated to be drawn on in the event the Arrangement is not completed by the earlier of December 17, 2024 or the date set forth in the Redemption Notice, as applicable. The REIT continues to explore all alternatives available to finance the repayment of the Debentures, as well as sourcing financing alternatives that would allow the Limited Partnership to repay the Loan drawn under the Backstop Loan Agreement, if drawn, which may be prepaid without penalty pursuant to its terms. If the REIT or Limited Partnership receives a *bona fide* Debenture Take-Out Proposal, the Purchaser has a right to match the terms of such proposal pursuant to the Backstop Loan Agreement. See "*Summary of the Backstop Loan Agreement*".

Canadian Securities Law Matters

MI 61-101

As a reporting issuer (or its equivalent) in each of the provinces and territories of Canada, the REIT is subject to the applicable securities laws of such provinces, including, Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). MI 61-101 establishes disclosure, valuation, review and approval processes in connection with certain transactions (including, business combinations) where there is a potential for actual or perceived conflicts of interest because the transaction involves one or more interested or related parties who are parties to the transaction and have the potential to receive information, advantages, different consideration or other benefits that are not available to other securityholders. The Arrangement and the Backstop Loan Agreement are subject to the requirements of MI 61-101.

MI 61-101 regulates certain types of transactions to ensure equality of treatment among securityholders when, in relation to a transaction, there are persons in a position that could cause them to have an actual or reasonably perceived conflict of interest or informational advantage over other security holders. If MI 61-101 applies to a proposed transaction of a reporting issuer, then enhanced disclosure in documents sent to securityholders, the approval of securityholders excluding, among others, Interested Parties, and a formal valuation of the securities affected by the Arrangement, prepared by an independent and qualified valuator (in each case, subject to exemptions that do not apply to the Arrangement) are all mandated, and in certain

instances, approval and oversight of the transaction by a committee of independent trustees is also required.

The protections of MI 61-101 apply to a reporting issuer proposing to carry out, among other things, a "business combination" (as defined in MI 61-101), which includes, among other things, an arrangement which may terminate the interest of the holder of an equity security of the issuer (such as the Units) without the holder's consent (such as the Arrangement). A transaction such as the Arrangement will constitute a "business combination" for purposes of MI 61-101 if, at the time the Arrangement is agreed to, a "related party" (as defined in MI 61-101) of the REIT (such as a trustee or senior officer, or a holder of 10% or more of the voting rights attached to the REIT's outstanding voting securities, which would include the Purchaser) directly or indirectly, as a consequence of the Arrangement: (a) would acquire the business of the REIT, or combine with the issuer, through an amalgamation, arrangement or otherwise; (b) is party to a "connected transaction" (as defined in MI 61-101) to the Arrangement; or (c) receives a "collateral benefit" (as defined in MI 61-101) (each such "related party" referred to as an "**Interested Party**" and together, "**Interested Parties**").

MI 61-101 defines a "related party" as, among other things, a control person of the entity (the REIT) or a person that has (i) beneficial ownership of, or control or direction over, directly or indirectly, or (ii) a combination of beneficial ownership of, and control or direction over, directly or indirectly, securities of the entity carrying more than 10% of the voting rights attached to all the entity's (the REIT's) outstanding voting securities.

"Connected transactions", as defined in MI 61-101, are two or more transactions that have at least one party in common, directly or indirectly, other than transactions related solely to services as an employee, trustee or consultant, and (i) are negotiated or completed at approximately the same time, or (ii) the completion of at least one of the transactions is conditional on the completion of each of the other transactions.

A "collateral benefit" is broadly defined for purposes of MI 61-101 and means, subject to certain specified exclusions, any benefit that a related party of the issuer is entitled to receive, directly or indirectly, as a consequence of the transaction, including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancement in benefits related to past or future services as an employee, trustee or consultant of the issuer or of another Person, regardless of the existence of any offsetting costs to the related party or whether the benefit is provided, or agreed to, by the issuer or another party to the transaction. No person is receiving a "collateral benefit" in connection with the Arrangement.

As a holder of 100% the outstanding SVUs, representing approximately 55.4% of the outstanding Voting Units of the REIT, the Purchaser is a "related party" of the REIT and given that it will, as a consequence of the Arrangement, acquire the business of the REIT, the Arrangement constitutes a "business combination" under MI 61-101.

MI 61-101 also provides that where an issuer directly or indirectly sells, transfers or disposes of an asset to a "related party" of the issuer, such transaction may be considered a "related party transaction" for the purposes of MI 61-101. Accordingly, the Arrangement is also a "related party transaction" in respect of the REIT, as the Purchaser is a "related party" of the REIT (as a holder of 10% or more of the Voting Units) and, as a consequence of the Arrangement, the REIT is selling assets to the Purchaser. While the Arrangement constitutes a "related party transaction" under MI 61-101, it is exempt from the substantive provisions applicable to "related party transactions" contained in MI 61-101 of that rule as the Arrangement also constitutes a "business combination" and, as a result, the "business combination" requirements of MI 61-101 apply.

In addition, the Backstop Loan Agreement is also a "related party transaction" in respect of the REIT, as the REIT and the Limited Partnership have entered into the Backstop Loan Agreement with the Purchaser, being a "related party" of the REIT. However, the Backstop Loan Agreement is exempt from the "formal valuation" and "minority approval" requirements of MI 61-101 as the Backstop Loan Agreement is not a related party transaction described in any of paragraphs (a) to (g) of the definition of "related party

transaction" in MI 61-101 and, in the opinion of the REIT Board (excluding the Cross Trustees), the Loan is on reasonable commercial terms that are not less advantageous to the REIT than if the loan or credit facility were obtained from a person dealing at arm's length with the REIT, and the Loan is not convertible into, or repayable as to principal or interest in, securities.

Minority Approval Requirements

As the Arrangement constitutes a "business combination" per MI 61-101, the Arrangement Resolution must be approved by a majority of the minority of the Voting Unitholders. In determining minority approval for a business combination, the REIT is required to exclude the votes attached to the Voting Units that, to the knowledge of the REIT or any Interested Party, or their respective trustees/directors or senior officers, after reasonable inquiry, are beneficially owned or over which control or direction is exercised by all (a) Interested Parties, (b) any related party of an Interested Party (subject to limited exceptions) or (c) any "joint actor" (as defined in MI 61-101) of any of the foregoing. This approval is in addition to the requirement that the Arrangement Resolution be approved by not less than 66 2/3% of the votes cast by the Voting Unitholders present in person or represented by proxy at the Meeting and entitled to vote. The Purchaser is an Interested Party for the purposes of MI 61-101 and the REIT Board (excluding the Cross Trustees) has determined that it is also party to a "connected transaction" to the Arrangement, namely the Backstop Loan Agreement, as the Backstop Loan Agreement is among the REIT and the Purchaser, both parties to the Arrangement, in addition to the Limited Partnership, in which both the REIT and the Purchaser have an intertest, and was entered into at approximately the same time as the Arrangement Agreement. Accordingly, the Voting Units that are held by, or under the control or direction of, the Purchaser and any "related party" of the Purchaser (including, without limitation, Voting Units held by each director and officer of the Purchaser) will not be counted for purposes of the tabulation of the "minority approval" of the Arrangement Resolution in accordance with MI 61-101.

As of the Record Date, for the purposes of MI 61-101, to the knowledge of the REIT, after reasonable inquiry, the following Interested Parties own or exercise control or direction over the following classes of Voting Units, as determined in accordance with MI 61-101 and Section 1.8 of NI 62-104, which the Voting Units shall be excluded from voting for purposes of determining whether "minority approval" is obtained in respect of the Arrangement Resolution at the Meeting:

Name, Title with REIT (if applicable)[1]	**the Units[1]**	**the SVUs[2]**
The Purchaser[2]	Nil	16,125,147
Richard Ferguson	775	Nil
Susan Keating	870	Nil
Leah Margiotta	1,695	Nil
Andrew Melton, CEO and Trustee	144,025	Nil
Graeme Melton	11,060	Nil
Kathleen Melton	750	Nil
Timothy Melton	76,000	Nil
D. Bruce Pennock	5,525	Nil
Catherine Roozen	90,000	Nil
Robyn Salik	950	Nil
Naomi Stefura, CFO	21,560	Nil
Ralph Young, Trustee	26,800	Nil

Notes:

(1) Based on information provided to the REIT from the Purchaser. Persons without a named title are either an officer or director of the Purchaser.

(2) Based on information obtained from public filings of the Purchaser made on SEDI as of October 25, 2024 and information provided to the REIT. The Purchaser holds an approximate 55.4% effective interest in the REIT through ownership of 16,125,147 Class B LP Units of the Limited Partnership and a corresponding number of SVUs of the REIT.

Formal Valuation Requirements

Pursuant to MI 61-101, given that the Arrangement constitutes a "business combination", the REIT was required to obtain a formal valuation of the securities affected by the Arrangement, being the Units subject to Redemption in accordance with the Arrangement. As a result, Ventum Capital Markets was retained to

deliver a formal valuation of the Units. See "*The Arrangement — Ventum Formal Valuation and Fairness Opinion*" for details concerning the Ventum Formal Valuation.

Prior Valuations and Prior Offers

Neither the REIT nor any Trustee or senior officer of the REIT, after reasonable inquiry, is aware of any "prior valuation" (as defined in MI 61-101) in respect of the REIT that has been made in the 24 months before the date hereof, other than the Ventum Formal Valuation. Except as described elsewhere in this Circular, the REIT has not received any bona fide prior offer that relates to the subject matter of or is otherwise relevant to the Arrangement during the 24 months before the date of the Arrangement Agreement. See "*The Arrangement — Background to the Arrangement*".

Court Approval

On October 16, 2024, the REIT and GP filed an Originating Application with the Court seeking an Interim Order in connection with the Arrangement. On October 24, 2024, the Court granted the Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order is attached to this Circular as Schedule "F".

Subject to the approval of the Arrangement Resolution by Voting Unitholders at the Meeting, the hearing in respect of the Final Order is scheduled to take place via a virtual-only live webcast at the Court located at Law Courts, 1A Sir Winston Churchill Square, Edmonton AB T5J 0R2, on November 29, 2024, at 2:00 p.m. (Edmonton time), or as may be otherwise directed by the Court. Any registered Voting Unitholders wishing to appear in person or to be represented by counsel at the hearing of the application for the Final Order may do so but must comply with certain procedural requirements described in the Interim Order, including filing a Notice of Intention to Appear (and if such appearance is with a view to contesting the application for a Final Order, a written contestation supported by affidavit(s), and exhibit(s), if any) with the Court and serving same upon the REIT and the Purchaser via their respective counsel as soon as reasonably practicable and, in any event, no less than two Business Days before the date of the hearing of the application for the Final Order (as it may be rescheduled from time to time). The Court has broad discretion under the ABCA when making orders with respect to arrangements.

The Court, when hearing the application for the Final Order, will consider, among other things, whether the Arrangement is fair and reasonable. The Court may approve the Arrangement in any manner it may direct and determine appropriate.

Once the Final Order is granted and the other conditions contained in the Arrangement Agreement are satisfied or waived to the extent legally permissible, the Articles of Arrangement will be filed with the Registrar under the ABCA for issuance of the Certificate of Arrangement giving effect to the Arrangement.

Stock Exchange Delisting and Reporting Issuer Status

The Units are currently listed for trading on the TSX under the symbol "MR.UN" and the Debentures are currently listed for trading on the TSX under the symbol "MR.DB.B". The Units will be redeemed by the REIT in connection with the Closing. In connection with the Redemption of the Units, the REIT expects that the Units will be delisted from the TSX shortly following the Effective Date. In accordance with the redemption and repayment of the Debentures, the REIT expects that the Debentures will be delisted from the TSX on or shortly following such redemption and repayment.

Following the Effective Date, it is expected that the Purchaser will cause the REIT to apply to cease to be a reporting issuer under the securities legislation of each of the provinces and territories in Canada under which it is currently a reporting issuer (or equivalent) or take or cause to be taken such other measures as may be appropriate to ensure that the REIT is not required to prepare and file continuous disclosure documents under applicable Securities Laws.

Effects on the REIT if the Arrangement is not Completed

If the Arrangement Resolution is not approved by Voting Unitholders or if the Arrangement is not completed for any other reason, Unitholders will not receive any payment of the Per Unit Consideration for any of their Units in connection with the Arrangement and the REIT will remain a reporting issuer and the Units will continue to be listed on the TSX. See "*Risk Factors*".

SUMMARY OF THE ARRANGEMENT AGREEMENT

The Arrangement will be carried out pursuant to the Arrangement Agreement and the Plan of Arrangement. The following is a summary of the principal terms of the Arrangement Agreement. This summary does not purport to be complete and may not contain all of the information about the Arrangement Agreement that is important to you. The summary of the material terms of the Arrangement Agreement below and elsewhere in this Circular is qualified in its entirety by reference to the Arrangement Agreement, which has been filed by the REIT on SEDAR+ at www.sedarplus.ca and on the REIT's website at www.melcorreit.ca/special-meeting, and to the Plan of Arrangement, which is attached to this Circular as Schedule C. We urge you to read a copy of the Arrangement Agreement and the Plan of Arrangement carefully and in its entirety, as the rights and obligations of the Parties are governed by the express terms thereof and not by this summary or any other information contained in this Circular.

Effective Date

The Arrangement will become effective commencing at 12:01 a.m. (Edmonton time), or such other time as agreed by the Parties in writing, on: (a) the Redemption Date, provided that by such date all the conditions precedent set out in the Arrangement Agreement described under "*Summary of the Arrangement Agreement — Conditions to the Arrangement Becoming Effective*" (excluding conditions that, by their terms, are only capable of being satisfied as of the Effective Time) have been satisfied, or where not prohibited, waived (by the applicable Party in whose favour the condition is); or (b) if such conditions are not satisfied and the Articles of Arrangement are not filed on the Redemption Date, the Articles of Arrangement shall be filed no later than the fifth Business Day after the satisfaction or, where not prohibited, the waiver (by the applicable Party in whose favour the condition is) of all the conditions precedent set out in the Arrangement Agreement described under "*Summary of the Arrangement Agreement — Conditions to the Arrangement Becoming Effective*", excluding conditions that, by their terms, are only capable of being satisfied as of the Effective Time.

The Meeting

Pursuant to the Arrangement Agreement, the REIT is required to convene and conduct the Meeting in accordance with the Declaration of Trust, the Interim Order and applicable Laws, as soon as reasonably practicable, and in any event on or before November 29, 2024 (or such later date as may be consented to by the Purchaser, such consent not to be unreasonably withheld, conditioned or delayed), subject to postponement or adjournment in accordance with the Arrangement Agreement, as applicable. The REIT is not permitted to adjourn, postpone or cancel (or propose or permit the adjournment, postponement or cancellation of) the Meeting without the Purchaser's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed) except as otherwise expressly permitted pursuant to the Arrangement Agreement. Unless the REIT Board has made a Change in Recommendation in accordance with the Arrangement Agreement, the REIT shall use commercially reasonable efforts to solicit proxies in favour of the Arrangement Resolution and against any resolution submitted by any Person that is inconsistent with the Arrangement Resolution. The REIT is not permitted to make any payment or settlement offer, or agree to any payment or settlement, prior to the Effective Time with respect to Dissent Rights without the prior consent of the Purchaser.

Representations and Warranties

The REIT and the GP have made representations and warranties in the Arrangement Agreement that are subject, in some cases, to specified exceptions and qualifications contained in the Arrangement Agreement. These representations and warranties relate to, among other things:

- the establishment and valid existence of the REIT;
- the REIT and REIT Subsidiaries' authorization to execute and deliver the Arrangement Agreement and all other agreements contemplated thereby, and, subject to the receipt of the Voting Unitholder Approval, approval by the Court and the Regulatory Approvals, to consummate the transactions contemplated by the Arrangement Agreement;
- the absence of conflicts with, or violations of, Laws or organizational documents of the REIT or any of the REIT Subsidiaries, in each case as a result of the REIT and any REIT Subsidiary entering into or delivering the Arrangement Agreement or any other agreement contemplated thereby nor the completion by the REIT or the REIT Subsidiaries and Joint Ventures of the transactions contemplated by the Arrangement Agreement;
- the enforceability of the Arrangement Agreement against the REIT and GP;
- to the knowledge of the REIT, none of the REIT or its Subsidiaries or Joint Ventures are insolvent;
- other than in respect of the Interim Order, the Final Order, the filing of the Articles of Arrangement with the Registrar and certain other enumerated exceptions, the execution, delivery and performance by the REIT and the GP of the Arrangement Agreement and the consummation by the REIT and the GP of the Arrangement do not require any Regulatory Approval or other action by or in respect of, or filing, recording, registering or publication with, or notification to, any Regulatory Authority by the REIT or any of its Subsidiaries and Joint Ventures;
- the capital structure of the REIT and the REIT Subsidiaries and the outstanding indebtedness of the REIT in respect of the Debentures;
- the Declaration of Trust;
- the REIT Subsidiaries and the Joint Ventures;
- the REIT's status as a "reporting issuer" under Securities Laws, the timeliness of the REIT's filings in accordance with Securities Laws, the listing of the Units on the TSX, and other Securities Law matters;
- the REIT financial statements;
- the auditors of the REIT;
- the absence of undisclosed liabilities of the REIT or any REIT Subsidiary or Joint Ventures required to be recorded on a consolidated balance sheet of the REIT under IFRS;
- the absence of any Material Adverse Effect since December 31, 2023;
- the REIT's and the REIT Subsidiaries' and Joint Ventures' compliance with Laws and possession of permits;

- the absence of any broker's or finder's fees, other than those payable to the REIT's financial advisors, in connection with the transactions contemplated by the Arrangement Agreement;
- Material Contracts and the absence of any breach of or default under the terms of any Material Contract;
- the ownership of assets by the REIT and the REIT Subsidiaries and Joint Ventures;
- absence of notices from any Regulatory Authority ordering or directing that any alteration, repair, improvement or other work be done with respect to any Property or relating to any non-compliance with any Law that are not being attended to the REIT or the REIT Subsidiaries and Joint Ventures;
- Leases and Properties of the REIT and its Subsidiaries and Joint Ventures;
- absence of any Remedial Orders or written notices of any expropriation or condemnation;
- Environmental Law matters relating to the REIT and the REIT Subsidiaries;
- absence of builders liens;
- the good standing of Permitted Liens;
- intellectual property matters;
- litigation matters;
- absence of insurance other than as arranged by the Purchaser as manager;
- Tax matters relating to the REIT and the REIT Subsidiaries and Joint Ventures;
- the exclusive right of the Purchaser to purchase;
- the execution, delivery and enforceability of the Backstop Loan Agreement; and
- the title to all Properties of the REIT and the REIT Subsidiaries and Joint Ventures are free and clear of all Encumbrances, except for the Permitted Liens.

The Arrangement Agreement also contains customary representations and warranties made by the Purchaser that are subject, in some cases, to specified exceptions and qualifications contained in the Arrangement Agreement. These representations and warranties relate to, among other things:

- the Purchaser's incorporation, valid existence, and power and authority to enter into the Arrangement Agreement and all other agreements contemplated thereby and to perform its obligations thereunder;
- the execution and delivery by the Purchaser of the Arrangement Agreement and all other agreements contemplated thereby and its consummation of the transactions contemplated therein, have been duly authorized;
- the absence of conflicts with, or violations of, Laws or constating documents of the Purchaser or any of its Subsidiaries, in each case as a result of the Purchaser entering into or delivering the Arrangement Agreement nor the completion by the Purchaser of the transactions contemplated by the Arrangement Agreement;

- the enforceability of the Arrangement Agreement against the Purchaser;

- the Purchaser is not insolvent;

- other than in respect of the Interim Order, the Final Order, the filing of the Articles of Arrangement with the Registrar and certain other enumerated exceptions, the execution, delivery and performance by the Purchaser of the Arrangement Agreement and the consummation by the Purchaser of the Arrangement do not require any Regulatory Approval or other action by or in respect of, or filing, recording, registering or publication with, or notification to, any Regulatory Authority;

- litigation matters;

- the Purchaser is not a "non-Canadian" within the meaning of the Investment Canada Act;

- except for the representations and warranties set forth in Schedule C to the Arrangement Agreement (as summarized above), the Purchaser has acknowledged and agreed that neither the REIT nor any of REIT Subsidiaries or Joint Ventures, nor any of their respective stockholders, trustees, directors, officers, employees, Affiliates, advisors, agents or representatives, nor any other Person, has made or is making any other express or implied representation or warranty with respect to the REIT or any of its Subsidiaries or Joint Ventures or their respective business or operations, including with respect to any information provided, disclosed or delivered to the Purchaser;

- the equity interest of the Purchaser in the REIT and the Limited Partnership;

- the Purchaser has sufficient funds to satisfy the Consideration and the Debenture Repayment Amount;

- to the knowledge of the Purchaser, all of the representations and warranties of the REIT contained in the Arrangement Agreement are true and correct in all material respects and no facts or circumstances exist as of the date hereof that would cause or would reasonably be expected to cause any Party to be unable to satisfy it's obligations set forth in the Arrangement Agreement in accordance with its terms; and

- the execution, delivery and enforceability of the Backstop Loan Agreement.

Notwithstanding any other provision of the Arrangement Agreement, Section 3.1(c) of the Arrangement Agreement (the "**Management Representation**") contains a provision pursuant to which the Purchaser acknowledges that, in one or more of its Capacities, the Purchaser has managed the business and affairs of, or otherwise had control or direction of, the REIT and its Subsidiaries since May 1, 2013 and, as such, has a detailed understanding of the business, operations, assets and liabilities of the REIT and its Subsidiaries. Consequently, the Purchaser shall not be entitled to rely on, assert as a breach, or take any action otherwise permitted under the Arrangement Agreement or any other agreement in connection with any inaccuracy or breach of any representation or warranty of the REIT or the GP contained therein if, as of the date of the Arrangement Agreement, the Purchaser had knowledge of the inaccuracy or breach of such representation or warranty. The Purchaser confirmed, as at the date of the Arrangement Agreement, to its knowledge, no facts or circumstances existed that would cause or would reasonably be expected to cause any Party to be unable to satisfy its obligations set forth in the Arrangement Agreement in accordance with its terms.

The representations and warranties of the Parties will not survive the completion of the Arrangement and will expire and be terminated on the earlier of the Effective Time and the date on which the Arrangement Agreement is terminated in accordance with its terms.

The representations and warranties are solely for the purposes of negotiating and entering into the Arrangement Agreement and may have been used for the purpose of allocating risk between the Parties instead of establishing such matters as facts. Certain representations and warranties may be subject to important qualifications and limitations agreed by the Parties in connection with negotiating the terms of the Arrangement Agreement, were made as of a specified date and/or are subject to a standard of materiality that is different from what may be viewed as material to the Voting Unitholders, such as being qualified by reference to a Material Adverse Effect. Moreover, information concerning the subject matter of the representations and warranties, which do not purport to be accurate as of the date of this Circular, may have changed since the date of the Arrangement Agreement and subsequent developments or new information qualifying a representation or warranty may not have been included in this Circular. Therefore, Voting Unitholders should not rely on the representations and warranties as statements of factual information.

Covenants

The Arrangement Agreement also contains customary negative and affirmative covenants of each of the REIT and the Purchaser.

Conduct of Business by the REIT Pending the Arrangement

The REIT has agreed that, subject to certain exceptions in the Arrangement Agreement, during the period from the date of the Arrangement Agreement to the earlier of the Effective Time and the termination of the Arrangement Agreement in accordance with its terms (the "**Interim Period**") the REIT shall, and to the extent it has the ability to do so, shall cause the Limited Partnership to: (a) conduct its business in the Ordinary Course and in accordance with applicable Law in all material respects, and (b) to the extent consistent with the foregoing, preserve intact the current business organization of the REIT and its Subsidiaries and, to the extent it has the ability to do so, the Joint Ventures, provided however, that, in each case, no action taken by the REIT or its Subsidiaries and Joint Ventures with regard to matters specifically addressed by certain covenants of the REIT relating to the Arrangement shall constitute a breach of these obligations unless it would also be a breach of such other covenants.

The REIT has also agreed that, during the Interim Period, except (i) with the prior written consent of the Purchaser, such consent not to be unreasonably withheld, conditioned or delayed; (ii) as required, permitted or contemplated by the Arrangement Agreement and/or the Plan of Arrangement; (iii) as a direct or indirect consequence of any approval by, or action taken (or omitted to be taken) by the Purchaser (excluding a Permitted Action), in any of its Capacities, or its Representatives, or (iv) as required by Law, the REIT shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, among other things:

- amend the Declaration of Trust or any other organizational or governance documents of the REIT or of any Subsidiary;

- reduce the stated capital, split, combine or reclassify any outstanding securities, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) or amend the terms of any of its securities in any material manner, except for: (a) any dividend or distribution from a Joint Ventures or Subsidiary to another Subsidiary or from a Subsidiary to the REIT; or (b) a distribution (a "**Taxable Income Distribution**") of the REIT's taxable income payable by issuance of Units which are immediately consolidated so that the number of Units following such distribution is no greater than the number of Units prior to such distribution;

- redeem, repurchase or otherwise offer to redeem, repurchase or otherwise acquire any securities;

- issue, grant, sell, pledge, award or deliver or authorize the issuance, grant, sale, pledge, award, delivery or create any derivative interest (in each case, other than Permitted Liens) in any Units, shares of its capital stock or other equity or voting interests or any options, warrants or similar rights exercisable or exchangeable for or convertible into or otherwise evidencing a right to acquire such

securities or other equity or voting interests, or any stock appreciation rights, phantom stock awards or other rights that are linked to the price or the value of the Units other than in connection with the issuance of Units upon the conversion of the Debentures by the holders thereof or pursuant to a Taxable Income Distribution;

- reorganize, amalgamate or merge by plan of arrangement or otherwise with any other Person or incorporate any Subsidiary other than in connection with the Arrangement;

- adopt a plan of liquidation or resolution providing for the liquidation or dissolution of the REIT or any of its Subsidiaries and Joint Ventures;

- enter into or resolve to enter into any agreement that has the effect of creating a joint venture, partnership, shareholders' agreement or similar relationship;

- acquire or agree to acquire (by merger, amalgamation, plan of arrangement, acquisition of shares or assets or otherwise), in one transaction or a series of transactions, any Person, business or enterprise or make any investment either by purchase of shares or securities, contributions of capital (other than to an existing Subsidiary or Joint Venture of the REIT), property transfer or purchase of any property or assets of any other Person outside of the Ordinary Course;

- except for assets currently subject to sales Contracts or as otherwise contemplated by the REIT's budget, transfer, pledge, lease, dispose of, or grant any Encumbrance (other than Permitted Liens) on, any of the assets of the REIT or its having a fair market value equal to or in excess of $250,000 in the aggregate, other than sales of inventory and accounts receivable in the Ordinary Course and transfers, leases, or dispositions between or among the REIT and its Subsidiaries and Joint Ventures;

- commence, cancel, waive, release, assign, settle or compromise any claim (other than insured claims), Action or proceeding before a Regulatory Authority (a) relating to the REIT, or its Subsidiaries resulting in payments by the REIT or its Subsidiaries and Joint Ventures in excess of an aggregate amount of $250,000 or which would reasonably be expected to impede, prevent or materially delay the consummation of the transactions contemplated by the Arrangement Agreement, or (b) brought by any present, former or purported holder of securities of the REIT or its Subsidiaries and Joint Ventures in connection with the transactions contemplated by the Arrangement Agreement or the Plan of Arrangement;

- except in connection with the sale of assets subject to sales Contracts as of the date of the Arrangement Agreement, pursuant to mortgage renewals or refinancing transactions in the Ordinary Course or otherwise contemplated by the Arrangement Agreement, in connection with hedging transactions in the Ordinary Course, in connection with monthly credit facility renewals in the Ordinary Course, or as is otherwise contemplated by the REIT's budget, prepay any long-term indebtedness before its scheduled maturity, other than the payment of the Debenture Repayment Amount and accrued but unpaid interest on the redemption of the Debentures, or increase, create, incur, assume or otherwise become liable for any indebtedness for borrowed money or guarantees thereof, other than indebtedness owing by one Subsidiary of the REIT to the REIT or another Subsidiary or of the REIT to any Subsidiary or Joint Venture of the REIT or otherwise in connection with the Backstop Loan Agreement;

- make any loan or advance to, or any capital contribution or investment in, or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of, any Person, other than (a) the REIT or a Subsidiary or Joint Venture of the REIT, (b) accounts payable to trade creditors arising in the Ordinary Course, (c) accrued liabilities in the Ordinary Course, (d) any capital expenditures currently contemplated in the REIT's existing budget, (e) in connection with the Backstop Loan Agreement, or (f) in connection with mortgage renewals or refinancing transactions

in the Ordinary Course or otherwise contemplated by the Arrangement Agreement, or (g) in connection with monthly credit facility renewals in the Ordinary Course;

- except in connection with monthly credit facility renewals or hedging transactions in the Ordinary Course, enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or other similar financial instruments other than in the Ordinary Course;

- take any action or fail to take any action which action or failure to act would result in material loss, expiration or surrender of, or the loss of any material benefit under, or would reasonably be expected to cause any Regulatory Authorities to institute proceedings for the suspension of, or the revocation or limitation of rights under, any material Authorizations (as defined in the Arrangement Agreement) necessary to conduct its businesses as now conducted;

- grant any general increase in the rate of wages, salaries, bonuses or other remuneration of trustees, directors or officers other than in the Ordinary Course of business;

- grant any rights of indemnification, retention, severance, change of control, bonus or termination pay to, or enter into any employment agreement, indemnity agreement, deferred compensation or bonus compensation agreement (or amend such existing agreement) with, any trustee, director or executive officer;

- make a material change in the REIT's methods of accounting, except as required by changes in IFRS or pursuant to written instructions, comments or orders of a Regulatory Authority;

- amend or modify in any material respect, or terminate or waive any material right under any Material Contract (as defined in the Arrangement Agreement), or enter into any Contract that would be a Material Contract if in effect on the date hereof, or fail to exercise commercially reasonable efforts to enforce any material breach of any Material Contract of which it becomes aware, or materially breach, materially violate or be in material default under any Material Contract;

- pay, discharge or satisfy any liability or obligation in excess of $250,000 (other than the Debentures) before the same become due in accordance with their terms;

- make, amend or rescind any material express or deemed Tax election, settle or compromise any material Tax claim, action, litigation, proceeding, arbitration, investigation, audit, controversy, assessment, reassessment or liability, amend any Tax Return in any material respect, surrender any right to claim a material Tax abatement, reduction, deduction, exemption, credit or refund, consent to the extension or waiver of the limitation period applicable to any material Tax matter, or materially amend or change any of its methods of reporting income, deductions or accounting for income Tax purposes;

- make a request for a Tax ruling or enter into any material agreement with a Regulatory Authority with respect to Taxes;

- except as contemplated in the Arrangement Agreement and except for scheduled renewals in the Ordinary Course, amend, modify or terminate any material insurance (or re-insurance) policy of the REIT or its Subsidiaries in effect on the date of the Arrangement Agreement, unless simultaneously with any such termination, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated policy for substantially similar premium are in full force and effect;

- enter into any agreement or arrangement that would, after the Effective Time, limit or restrict in any material respect the REIT or its Subsidiaries and Joint Ventures from competing or carrying on any business in any manner;

- waive, release or assign any material rights, claims or benefits of the REIT or any of its Subsidiaries and Joint Ventures; or

- authorize, agree, resolve or otherwise commit to do any of the foregoing.

Covenants of the REIT relating to the Arrangement

The REIT shall and shall cause its Subsidiaries, as applicable, to use commercially reasonable efforts to perform all obligations under the Arrangement Agreement and cooperate with the Purchaser to make the Arrangement effective as soon as reasonably practicable. The REIT shall, and where appropriate, shall cause its Subsidiaries to: (i) use commercially reasonable efforts to obtain and maintain third party consents, waivers or approvals required under any Material Contract (as defined in the Arrangement Agreement) in connection with the Arrangement, (ii) use commercially reasonable efforts to effect all filings and submissions required by Regulatory Authorities and use commercially reasonable efforts to effect all necessary registrations relating to the Arrangement or the transactions contemplated by the Arrangement Agreement, (iii) use commercially reasonable efforts to oppose, lift or rescind any legal actions seeking to prohibit or materially adversely affect the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement and defend any proceedings brought against it or any of its Subsidiaries or any of their directors or officers challenging the Arrangement Agreement, the Arrangement or the transactions contemplated by the Arrangement Agreement, (iv) not take any action inconsistent with the Arrangement Agreement or which would reasonably be expected to prevent, materially delay or impede consummation of the Arrangement, (v) use commercially reasonable efforts to satisfy all conditions precedent and carry out the terms of the Interim Order and the Final Order applicable to it, and (vi) use commercially reasonable efforts to obtain and deliver to the Purchaser at the Effective Time, duly executed and legally binding resignations of each director of the GP.

The REIT is required to promptly notify the Purchaser in certain circumstances, including in the event of any Material Adverse Effect and upon receipt of notice or other communication alleging consent, waiver or approval rights in connection with the Arrangement Agreement.

Covenants of the Purchaser relating to the Arrangement

The Purchaser shall use commercially reasonable efforts to perform all obligations under the Arrangement Agreement, cooperate with the REIT and the GP in connection therewith, including such actions as may be necessary for the Purchaser, in any of its Capacities, to facilitate the REIT in complying with its obligations under the Arrangement Agreement, and do all such other acts and things as may be necessary to make the Arrangement effective as soon as reasonably practicable. The Purchaser shall: (i) pay the expenses of the Independent Committee's financial advisor in connection with preparation of the Ventum Formal Valuation and Fairness Opinion, (ii) use commercially reasonable efforts to effect all filings and submissions required by Regulatory Authorities and use commercially reasonable efforts to effect all necessary registrations relating to the Arrangement, (iii) use commercially reasonable efforts to oppose, lift or rescind any legal actions seeking to prohibit or adversely affect the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement and defend any proceedings brought against it or any of its directors or officers challenging the Arrangement Agreement, the Arrangement or the transactions contemplated by the Arrangement Agreement, (iv) other than a Permitted Action, not take any action, or refrain from taking any action, which is inconsistent with the Arrangement Agreement or which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement, (v) not transfer or convert any SVUs or Class B LP Units of the Limited Partnership held, directly or indirectly, by the Purchaser or over which the Purchaser exercises control or direction, into Units at any time at or prior to the Effective Time, (vi) use commercially reasonable efforts to satisfy all conditions precedent and carry out the terms of the Interim Order and Final Order; (vii) take all necessary action to ensure that it has sufficient funds to carry out its obligations under the Arrangement Agreement and the Plan of Arrangement and it shall at least two (2) Business Days prior to the day of filing by the REIT and the GP of the Articles of Arrangement with the Registrar and deposit the Consideration to be held in escrow by the Depositary; (viii) use commercially

reasonable efforts to, in any of its Capacities, assist the REIT and its Subsidiaries and Joint Ventures in obtaining all required consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations, (ix) not, nor cause its Representatives or (to the extent it has the ability to do so) its Affiliates or permit its Representatives or (to the extent it has the ability to do so) its Affiliates to, take, or omit to take, any action (excluding a Permitted Action), directly or indirectly, in any Capacity, which would, or would reasonably be expected to, cause any breach or non-compliance by the REIT or the GP, whether directly or through any of its Subsidiaries or any Joint Venture, with any term, covenant, representation or warranty of such party in the Arrangement Agreement or any other agreement (the "**Management Covenant**"), and (x) comply with its obligations under and subject to the terms of the Backstop Loan Agreement.

In addition, the Purchaser covenants that it shall, at the Meeting, cause all of the equity and voting securities of the REIT held by it, or over which it exercises control or direction, to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) all of such equity and voting securities of the REIT (i) in favour of the approval of the Arrangement Resolution, and (ii) in favour of any other matter necessary for the consummation of transactions contemplated by the Arrangement Agreement. The Purchaser has agreed not to exercise, or cause or encourage any Person to exercise, any rights of appraisal or rights of dissent provided under any Laws, pursuant to the Interim Order, the Plan of Arrangement or otherwise in connection with the Arrangement or the transactions contemplated by the Arrangement Agreement considered at the Meeting in connection therewith.

The Purchaser is required to promptly notify the REIT in certain circumstances, including in the event of any notice or other communication alleging consent, waiver or approval rights in connection with the Arrangement Agreement, any notice or communication from a Regulatory Authority in connection with the Arrangement and any legal actions commenced or threatened against the Purchaser or affecting the Arrangement.

Trustees' and Officers' Indemnification

From and after the Effective Time, the Purchaser will, and will cause the REIT and the GP to, subject to certain limitations, indemnify and hold harmless (and to also advance expenses as incurred) (i) each present and former trustee of the REIT and/or director of the GP, in each case including such Persons' respective heirs, executors, administrators and personal representatives (each, an "**Indemnified Person**") against any costs or expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages or liabilities incurred in connection with any claim, inquiry, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or related to such Indemnified Person's service as a trustee of the REIT and director of the GP at or prior to the Effective Time, whether asserted or claimed prior to, at or after the Effective Time, including, without limiting the generality of the foregoing, the approval or completion of the Arrangement or any of the transactions contemplated by the Arrangement Agreement or arising out of or related to the Arrangement Agreement and the transactions contemplated by the Arrangement Agreement. Neither the Purchaser nor the REIT or the GP will settle, compromise or consent to the entry of any judgment in any claim, action, suit, proceeding or investigation or threatened claim, action, suit, proceeding or investigation involving or naming an Indemnified Person or arising out of or related to an Indemnified Person’s service as a trustee of the REIT or a director of the GP at or prior to the Effective Time without the prior written consent of that Indemnified Person which will not be unreasonably withheld, conditioned or delayed.

Prior to the Effective Date, the REIT shall purchase customary "tail" policies of trustees’, directors’ and officers' liability insurance providing protection no less favourable in the aggregate to the protection provided by the policies maintained by the REIT and its Subsidiaries which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date, and the Purchaser shall, or shall cause its Subsidiaries to maintain such tail policies in effect without any reduction in scope or coverage for six (6) years from the Effective Date; provided that the Purchaser shall not be required to pay any amounts in respect of such coverage prior to the Effective Time; and provided further that the cost of such policies shall not exceed 300% of the aggregate annual premium for the policies currently maintained by the REIT and its Subsidiaries.

For a period of not less than six (6) years from the Effective Date, the Purchaser shall provide to the Indemnified Parties the same rights to exculpation or indemnification as provided to the Indemnified Persons under the provisions of the Declaration of Trust and the REIT Subsidiaries' charters, bylaws, partnership agreements or similar organizational documents as in effect as of the date of the Arrangement Agreement, or are provided for by Law, and such rights shall not be amended or rescinded in a manner adverse to the applicable Indemnified Person. Any successor or assign of the Purchaser, the Limited Partnership, the GP or their Subsidiaries shall assume all indemnification obligations as described here.

TSX Delisting

The Purchaser shall use its commercially reasonable efforts to assist the REIT with the delisting of the Units and the Debentures from the TSX within a reasonable period of time following the completion of the Arrangement.

Redemption of Debentures

The REIT shall, in accordance with the Debenture Indenture, issue a Redemption Notice to redeem all of the Debentures on such date as the REIT shall determine in consultation with the Purchaser; provided that the Redemption Notice shall not be issued any later than immediately following the issuance of the Final Order. The Redemption Date set forth in the Redemption Notice shall be a date that is thirty (30) days from the date of issue (taking into account the appropriate number of days for notice to be deemed to have been given as set forth in the Debenture Indenture). No less than two (2) Business Days prior to the Redemption Date, the REIT shall pay or cause to be paid to the Depositary all accrued but unpaid interest on the Debentures required to be paid on the Redemption Date and the Purchaser shall pay or cause to be paid to the Depositary the Debenture Repayment Amount.

Conditions to the Arrangement Becoming Effective

Mutual Conditions Precedent

The respective obligations of the Parties to consummate the Arrangement are subject to the fulfillment or waiver of the following mutual conditions:

(a) the REIT shall have obtained Voting Unitholder Approval;

(b) the Interim Order and the Final Order will each have been obtained on terms consistent and in accordance with the Arrangement Agreement, and not have been set aside or modified in a manner unacceptable to the REIT or the Purchaser, each acting reasonably, on appeal or otherwise;

(c) no Law is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the REIT, the GP or the Purchaser from consummating the Arrangement;

(d) the Articles of Arrangement to be sent to the Registrar under the ABCA shall be in a form and substance consistent with the Arrangement Agreement and satisfactory to the REIT and the Purchaser, each acting reasonably;

(e) no Action is proceeding or pending, to (i) cease trade, enjoin or prohibit the transactions contemplated by the Arrangement Agreement, (ii) to impose any material limitations or material conditions on the transactions contemplated by the Arrangement Agreement; and

(f) the Arrangement Agreement shall not have been terminated in accordance with its terms.

Additional Conditions Precedent to the Obligations of the Purchaser

The obligations of the Purchaser to complete the Arrangement are further subject to the satisfaction or waiver by the Purchaser of the following conditions:

(a) (i) the representations and warranties of the REIT set forth in Section 1 [*Status*], Section 2 [*Authorization*], Section 3 [*No Breach*], Section 4 [*Enforceability*], Section 5 [*No Bankruptcy*], Section 6 [*Regulatory Approvals*], and Section 7 [*Capitalization*] of Schedule C of the Arrangement Agreement shall be true and correct in all respects as of the date of the Arrangement Agreement (except for de minimis inaccuracies) and, as of the Effective Time (except for de minimis inaccuracies and as a result of transactions, changes, conditions, events or circumstances permitted hereunder and except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), (ii) all other representations and warranties of the REIT set forth in Schedule C of the Arrangement Agreement shall be true and correct in all respects as of the date of the Arrangement Agreement and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), without regard to any materiality or Material Adverse Effect qualifications contained in them, except where the failure or failures of all such representations and warranties to be so true and correct in all respects, individually or in the aggregate, would not result in a Material Adverse Effect, and (iii) the REIT shall have delivered a certificate confirming same to the Purchaser, executed by two executive officers of the REIT (without personal liability) addressed to the Purchaser and dated the Effective Date;

(b) the REIT shall have fulfilled or complied in all material respects with each of the covenants of the REIT contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and shall have delivered a certificate confirming same to the Purchaser, executed by two executive officers of the REIT (without personal liability) addressed to the Purchaser and dated the Effective Date;

(c) since the date of the Arrangement Agreement, there shall not have occurred a Material Adverse Effect;

(d) the aggregate amount (inclusive of repayment of indebtedness, interest, penalties, fees or other amounts payable on payout or acceleration thereof, in each case, to the extent required) required to be paid in respect of Existing Subsidiary Financing arrangements (excluding the Senior Credit Agreement) which are held by prescribed lenders shall not exceed $30 million;

(e) Dissent Rights shall not have been exercised with respect to more than ten percent (10.0%) of the issued and outstanding Units; and

(f) subject to obtaining the Final Order and the satisfaction or waiver of the other conditions precedent set forth in the Arrangement Agreement in the REIT's favour (other than conditions which, by their nature, are only capable of being satisfied as of the Effective Time), the REIT shall have deposited or caused to be deposited with the Depositary in escrow an amount equal to accrued but unpaid interest on the Debentures required to be paid on the Redemption Date.

Additional Conditions Precedent to the Obligations of the REIT and the GP

The obligations of the REIT and the GP to complete the Arrangement are further subject to the satisfaction or waiver by the REIT and the GP of the following conditions:

(a) (i) the representations and warranties of the Purchaser set forth in Section 1 [*Status*], Section 2 [*Authorization*], Section 3 [*No Breach*], Section 4 [*Enforceability*], Section 5 [*No Bankruptcy*], Section 6 [*Regulatory Approvals*] and Section 8 [*Investment Canada Act*] of Schedule D of the Arrangement Agreement shall be true and correct in all respects as of the date of the Arrangement

Agreement and as of the Effective Time (except for de minimis inaccuracies therein), (ii) all other representations and warranties of the Purchaser set forth in Schedule D of the Arrangement Agreement shall be true and correct in all respects as of the date of the Arrangement Agreement and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), without regard to any materiality qualifications contained in them, except where the failure or failures of all such representations and warranties to be so true and correct in all respects, individually or in the aggregate, would not reasonably be expected to materially impede the completion of the Arrangement, and (iii) the Purchaser shall have delivered a certificate confirming same, executed by two officers the Purchaser (without personal liability), to the REIT and the GP and dated the Effective Date;

(b) the Purchaser shall have fulfilled or complied in all material respects with each of its covenants contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Purchaser shall have delivered a certificate confirming same to the REIT and the GP, executed by two officers of the Purchaser (without personal liability), to the REIT and the GP and dated the Effective Date; and

(c) subject to obtaining the Final Order and the satisfaction or waiver of the other conditions precedent in the Purchaser's favour (other than conditions which, by their nature, are only capable of being satisfied as of the Effective Time), the Purchaser shall have deposited or caused to be deposited with the Depositary in escrow the Debenture Repayment Amount and funds required to effect payment in full of the Consideration to be paid pursuant to the Arrangement.

Go-Shop and Non-Solicitation Covenants

Go-Shop Period

Notwithstanding any other provision of the Arrangement Agreement, during the Go-Shop Period, the REIT and its Representatives will have the right to: (i) solicit, initiate, encourage, seek the making of, induce or otherwise facilitate any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal, (ii) enter into or otherwise engage or participate in any negotiations or discussions with any Person regarding any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal, (iii) subject to entering into a REIT Confidentiality Agreement, provide copies of, access to, or disclosure of, any information with respect to the business, properties, assets, operations, books and records, prospects or conditions (financial or otherwise) of the REIT, the REIT Subsidiaries and Joint Ventures; provided that (A) the Purchaser is promptly (and in any event within 24 hours) provided with (to the extent not previously provided) any such information provided to such Person, and (B) the REIT will not pay, agree to pay or cause to be paid or reimburse, agree to reimburse or cause to be reimbursed, any expenses of any Person, or any of such Person's Representatives or financing sources, in connection with any Acquisition Proposals (or inquiries, proposals or offers that may lead to an Acquisition Proposal), or (iv) otherwise cooperate in any way with, or to do or seek to do any of the foregoing.

Immediately following the expiry of the Go-Shop Period, the REIT shall cease such actions permitted during the Go-Shop Period, including such discussion and cooperation with any Person or any Person's Representatives (other than the Purchaser, its Affiliates, any Excluded Party and their respective Representatives) with respect to an inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or to lead to, an Acquisition Proposal.

As promptly as reasonably practicable, and in any event, within 48 hours following the expiry of the Go-Shop Period, the REIT must notify the Purchaser in writing of each Excluded Party, the identity of each Person with whom the REIT entered into a REIT Confidentiality Agreement on or prior to the expiry of the Go-Shop Period or from whom the REIT received an Acquisition Proposal prior to the expiry of the Go-Shop Period and provide the Purchaser with a copy of any written Acquisition Proposal received after the start of the Go-Shop Period but prior to the expiry of the Go-Shop Period, a copy of any proposed definitive

agreement for the Acquisition Proposal and all ancillary documentation (and supporting materials) containing material terms and conditions of the Acquisition Proposal (including any financing documents subject to customary confidentiality provisions) (or where no copies are available, a reasonably detailed description thereof).

Non-Solicitation

The REIT has agreed that, from and after the date of the Arrangement Agreement, except as permitted during the Go-Shop Period or by certain other exceptions, it shall, and shall cause each of the REIT Subsidiaries not to, directly or indirectly, through any of their respective Representatives, or otherwise, and shall not permit any Person to (a) solicit, initiate, facilitate or knowingly encourage (including by furnishing information or providing copies of, access to, or disclosure of, any confidential information of the REIT and/or any of the REIT Subsidiaries, or entering into any form of agreement, arrangement or understanding) any inquiries or proposals or offers that constitute, or would reasonably be expected to constitute or lead to, an Acquisition Proposal, (b) encourage, enter into or otherwise engage, continue or participate in any discussions or negotiations with any Person (other than the Purchaser and its Affiliates and their respective Representatives), with respect to any inquiry, proposal or offer that constitutes, or would reasonably be expected to constitute or lead to, an Acquisition Proposal (it being agreed that the REIT may correspond with the Person to seek clarification of the terms of such Acquisition Proposal), (c) enter into or publicly propose to enter into any Contract in respect of an Acquisition Proposal, (d) make a Change in Recommendation, (e) fail to enforce, or grant any waiver under, any standstill or similar agreement with any Person (other than the Purchaser), or (f) accept, approve, endorse, or recommend, or propose publicly to accept, approve, endorse or recommend, any Acquisition Proposal.

The REIT has further agreed that, immediately after the expiry of the Go-Shop Period, except as otherwise permitted, it will, and will cause the REIT Subsidiaries and their respective Representatives to immediately cease and cause to be terminated any solicitation, discussion, negotiation, encouragement or activity with any Person (other than the Purchaser, its Affiliates and their Representatives) with respect to any inquiry, proposal or offer that constitutes, or would reasonably be expected to constitute or lead to, an Acquisition Proposal, including, any Person who executed a REIT Confidentiality Agreement and, in connection therewith, the REIT shall: (a) discontinue access to and disclosure of all confidential information, including any data room and access to the assets, facilities, books and records of the REIT or any REIT Subsidiary or Joint Venture, and (b) within five Business Days of the expiry of the Go-Shop Period, request that all Persons who executed a REIT Confidentiality Agreement (other than an Excluded Party and their Representatives) return or destroy (and request that their respective Representatives return or destroy) all confidential information furnished under such REIT Confidentiality Agreement by or on behalf of the REIT, subject to the terms of such REIT Confidentiality Agreement.

Responding to an Acquisition Proposal

Notwithstanding anything to the contrary in the Arrangement Agreement, if at any time after the expiry of the Go-Shop Period and prior to obtaining the Voting Unitholder Approval at the Meeting the REIT receives a *bona fide* unsolicited Acquisition Proposal or has received from an Excluded Party an Acquisition Proposal, the REIT and its Representatives may engage in or participate in discussions or negotiations with the relevant Person regarding such Acquisition Proposal, and, subject to entering into, or having previously entered into during the Go-Shop Period, a REIT Confidentiality Agreement with such Person, may provide copies of, access to, or disclosure of, confidential information and disclosure relating to the properties, facilities, books and records of the REIT or any of its Subsidiaries, if and only if

- the REIT Board (excluding the Cross Trustees) first determines in good faith, after consultation with its financial and outside legal advisors, that such Acquisition Proposal constitutes, or could reasonably be expected to constitute or lead to, a Superior Proposal if consummated in accordance with its terms;

- such Person was not restricted from making such Acquisition Proposal pursuant to any existing confidentiality, standstill or similar restriction to which the REIT or any of its Subsidiaries is party; provided such requirement shall not apply if such Person enters into, or has previously entered into during the Go-Shop Period, a REIT Confidentiality Agreement;

- the REIT has been, and continues to be, in compliance with its obligations under Article 6 of the Arrangement Agreement in all material respects; and

- the REIT has provided the Purchaser with written notice stating the REIT's intention to participate in such discussions or negotiations and to provide such copies, access or disclosure.

Notification of Acquisition Proposals

If at any time after the expiry of the Go-Shop Period, the REIT or any of the REIT Subsidiaries and Joint Ventures or any of their respective Representatives receives any inquiry, proposal or offer that constitutes, or would reasonably be expected to constitute or lead to an Acquisition Proposal or has received from an Excluded Party any inquiry, proposal or offer that constitutes or would reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to the REIT or any of its Subsidiaries and Joint Ventures in relation to a possible Acquisition Proposal or any existing Acquisition Proposal from an Excluded Party, including information, access or disclosure relating to the properties, facilities, books and records of the REIT or any of the REIT Subsidiaries and Joint Ventures, the REIT shall notify the Purchaser promptly (and in any event within 48 hours thereafter) after receipt of any Acquisition Proposal, inquiry, proposal, offer or request, including the material terms and conditions thereof and the identity of the Person making the Acquisition Proposal, inquiry, proposal, offer or request, and shall provide the Purchaser with copies of all documents, material correspondence and other materials received from or on behalf of such Person relating to the Acquisition Proposal. Prior to obtaining the Voting Unitholder Approval at the Meeting, the REIT may contact the Person making the Acquisition Proposal, inquiry, proposal, offer or request and its Representatives solely for the purpose of clarifying the terms and conditions of such Acquisition Proposal, inquiry, proposal, offer or request so as to determine whether such Acquisition Proposal, inquiry, proposal, offer or request is, or would reasonably be expected to constitute or lead to, a Superior Proposal. Furthermore, the REIT shall also keep the Purchaser informed of the status, including any change to the material terms, of such Acquisition Proposal, inquiry, proposal, offer or request (including from any Excluded Party).

Right to Match

If the REIT receives a bona fide Acquisition Proposal that constitutes a Superior Proposal prior to obtaining Voting Unitholder Approval, the REIT Board (excluding the Cross Trustees) may authorize the REIT to enter into a definitive agreement with respect to such Superior Proposal or make a Change in Recommendation with respect to such Acquisition Proposal, if and only if:

- the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to any existing confidentiality, standstill or similar restriction to which the REIT or any of the REIT Subsidiaries or Joint Ventures is party;

- the REIT has been, and continues to be, in compliance with its obligations under Article 6 of the Arrangement Agreement in all material respects;

- the REIT has provided the Purchaser with (a) written notice of the determination of the REIT Board (excluding the Cross Trustees) that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the REIT Board (excluding the Cross Trustees) to enter into such definitive agreement or make a Change in Recommendation, together with (b) written notice from the REIT Board (excluding the Cross Trustees) regarding the value and financial terms that the REIT Board (excluding the Cross Trustees), in consultation with its financial advisors, has determined should be ascribed to any non-cash consideration offered under such Acquisition Proposal (the "**Superior**

Proposal Notice") and (c) a copy of the proposed definitive agreement for the Superior Proposal and all schedules and exhibits thereto;

- at least five Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received a copy of all the material set forth in the bullet above;

- after the Matching Period, the REIT Board (excluding the Cross Trustees) has determined in good faith, after consultation with its outside legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal, if applicable, compared to the terms of the Arrangement as proposed to be amended by the Purchaser in connection with its right to match, as described below;

- after the Matching Period, the REIT Board (excluding the Cross Trustees) has determined, in good faith, after consultation with its outside legal counsel, that the Acquisition Proposal continues to constitute a Superior Proposal and failure of the REIT Board to make a Change in Recommendation and/or to enter into a definitive agreement with respect to such Superior Proposal would be inconsistent with its fiduciary duties; and

- prior to or concurrently with entering into a definitive agreement with respect to such Superior Proposal, the REIT terminates the Arrangement Agreement in accordance with its terms and pays the REIT Termination Fee or the Go-Shop Fee, as applicable.

During the Matching Period, or such longer period as the REIT Board (excluding the Cross Trustees) may, in its sole discretion, approve in writing for such purpose (i) the Purchaser shall have the right, but not the obligation, to offer to amend the terms of the Arrangement and the Arrangement Agreement in order for such Acquisition Proposal to cease to be a Superior Proposal, (ii) the REIT Board (excluding the Cross Trustees) shall review any offer made by the Purchaser to amend the terms of the Arrangement and the Arrangement Agreement in good faith (after receiving the advice of its outside counsel and financial advisors) in order to determine, whether the Purchaser's amended offer, upon acceptance, would cause the Superior Proposal giving rise to the Matching Period to cease to be a Superior Proposal, (iii) if the REIT Board (excluding the Cross Trustees) determines that the Acquisition Proposal giving rise to such Matching Period no longer constitutes a Superior Proposal compared to the Arrangement and the Arrangement Agreement as they are proposed to be amended by the Purchaser, the REIT shall promptly so advise the Purchaser and the Parties shall amend the Arrangement Agreement to give effect to such amendments, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing. Each successive material amendment to any Acquisition Proposal from the same party that results in an increase in, or a modification of, the consideration (or value of such consideration) to be received by the REIT or the Unitholders, as applicable, or other material terms or conditions thereof shall constitute a new Acquisition Proposal for the purposes of the right to match provisions and the Purchaser shall be afforded the rights set forth above with respect to such new Acquisition Proposal, including the five (5) Business Day Matching Period.

If the REIT provides a Superior Proposal Notice to the Purchaser after the date that is ten (10) Business Days before the Meeting, the REIT shall either proceed with or shall postpone the Meeting, as directed by the Purchaser acting reasonably, to a date that is not more than ten (10) Business Days after the scheduled date of the Meeting, but in any event to a date that is not less than five (5) Business Days prior to the Outside Date.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Time in the following circumstances:

Termination by mutual consent

The REIT, the GP and the Purchaser may mutually agree to terminate the Arrangement Agreement at any time prior to the Effective Time.

Termination by either the REIT or the Purchaser

In addition, the REIT, on the one hand, or the Purchaser, on the other hand, may terminate the Arrangement Agreement by written notice to the other at any time prior to the Effective Time, if:

(i) **Arrangement Resolution Not Approved**. The Voting Unitholder Approval is not obtained in accordance with the Interim Order; provided that a Party may not terminate the Arrangement Agreement in such a manner if the failure to obtain Voting Unitholder Approval has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement.

(ii) **Illegality**. Any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement illegal or otherwise permanently prohibits or enjoins the REIT, the GP or the Purchaser from consummating the Arrangement or the transactions contemplated by the Arrangement Agreement, and such Law (if applicable) or enjoinment has become final and non-appealable; provided the Party seeking to terminate the Arrangement Agreement in such a manner has used its commercially reasonable efforts to, as applicable, prevent, appeal or overturn such Law or enjoinment or otherwise have it lifted or rendered non-applicable in respect of the Arrangement or the transactions contemplated by the Arrangement Agreement, and provided further that the making, enforcement or amendment of such Law or enjoinment was not due to a breach by such Party of any of its representations or warranties, or the failure of such Party to perform any of its covenants or agreements, under the Arrangement Agreement.

(iii) **Occurrence of Outside Date**. The Effective Time does not occur on or prior to March 31, 2025 or such later date as the REIT and the Purchaser may agree in writing (the "**Outside Date**"); provided that a Party may not terminate the Arrangement Agreement in such a manner if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement.

Termination by the REIT

The REIT, on its own behalf and on behalf of the GP, may also terminate the Arrangement Agreement by written notice to the Purchaser at any time prior to the Effective Time, if:

(i) **Breach by the Purchaser**. A breach of any representation or warranty of, or failure to perform any covenant or agreement on the part of the Purchaser under the Arrangement Agreement occurs that would cause any condition in Section 5.3(a) [*Purchaser Representations and Warranties Condition*] or Section 5.3(b) [*Purchaser Covenants Condition*] of the Arrangement Agreement not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date in accordance with the terms of Section 4.7; provided that any wilful breach shall be deemed to be incapable of being cured and provided that the REIT and the GP are not then in breach of the Arrangement Agreement so as to directly or indirectly cause any condition in Section 5.2(a) [*REIT Representations and Warranties Condition*] or Section 5.2(b) [*REIT Covenants Condition*] not to be satisfied, provided that the REIT and the GP shall not be considered to be in breach of the Arrangement Agreement if the Purchaser is in breach of the Management Covenant or Management Representation.

(ii) **Superior Proposal**. Prior to obtaining the Voting Unitholder Approval, the REIT Board authorizes (excluding the Cross Trustees) the REIT to enter into a definitive written agreement (other than a

REIT Confidentiality Agreement) with respect to any Superior Proposal in accordance with and subject to the terms and conditions descried above under "*Summary of the Arrangement Agreement — Go-Shop and Non-Solicitation Covenants*", provided the REIT and the GP are then in material compliance with Article 6 of the Arrangement Agreement and prior to or concurrent with such termination, the REIT pays the REIT Termination Fee or the Go-Shop Fee, as applicable.

Termination by the Purchaser

The Purchaser may also terminate the Arrangement Agreement by written notice to the REIT at any time prior to the Effective Time, if:

(i) **Breach by the REIT**. A breach of any representation or warranty of, or failure to perform any covenant or agreement on the part of the REIT or the GP under the Arrangement Agreement (other than a failure caused as a result of an action or step described in subsection (i) of the definition of Permitted Action provided that such action or step does not result in a Material Adverse Effect) occurs that would cause a condition to the Purchaser's obligations to effect the Arrangement not to be satisfied, and such breach or failure is incapable of being cured on or prior to the Outside Date or is not cured; provided that any wilful breach shall be deemed to be incapable of being cured and provided further that the Purchaser is not then in breach of the Arrangement Agreement so as to directly or indirectly cause any condition to the Purchaser's obligations to effect the Arrangement not to be satisfied.

(ii) **Change in Recommendation**. Prior to obtaining the Voting Unitholder Approval (a) the REIT Board or the Independent Committee withdraws, withholds, qualifies or modifies in a manner adverse to the Purchaser, the REIT Board Recommendation, or fails to reaffirm, within five (5) Business Days (and in any case prior to the Meeting) after receipt of a written request by the Purchaser, the REIT Board Recommendation (a "**Change in Recommendation**"), it being understood that publicly taking a neutral position or no position with respect to an Acquisition Proposal for a period of more than five (5) Business Days after public announcement of an Acquisition Proposal (or beyond the date which is one day prior to the Meeting, if sooner) shall be considered an adverse modification, (b) the REIT Board or the Independent Committee approves or recommends any Acquisition Proposal, (c) the REIT Board or the Independent Committee approves, recommends or authorizes the REIT to enter into a written agreement in respect of an Acquisition Proposal (other than a REIT Confidentiality Agreement), or (d) was in wilful breach of the REIT's obligations described under "*Summary of the Arrangement Agreement — Go-Shop and Non-Solicitation Covenants*" above in any material respect.

(iii) **Material Adverse Effect**. There has occurred a Material Adverse Effect which is incapable of being cured on or prior to the Outside Date.

Termination Payments

Except as otherwise set forth in the Arrangement Agreement, whether or not the Arrangement is consummated, all expenses incurred in connection with the Arrangement Agreement and the other transactions contemplated by the Arrangement Agreement shall be paid by the Party incurring such expenses.

Go-Shop Fee Payable by the REIT

The Go-Shop Fee is payable by the REIT to the Purchaser in the event the Arrangement Agreement is terminated: (a) by the REIT pursuant to the provision described in paragraph (ii) under "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement — Termination by the REIT*" [*Superior Proposal*]; or (b) by the Purchaser pursuant to the provision described in paragraph (ii) under "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement — Termination by the Purchaser*" [*Change in Recommendation*], in either case (x) prior to 11:59 p.m. (Edmonton Time) on

the fifth Business Day following the expiry of the Go-Shop Period; or (y) as a result of, or in connection with, an Acquisition Proposal from an Excluded Party.

Termination Fee Payable by the REIT

The REIT Termination Fee is payable by the REIT to the Purchaser in the event the Arrangement Agreement is terminated (other than pursuant to a scenario described under "*Summary of the Arrangement Agreement — Termination Payments — Go-Shop Fee Payable by the REIT*" above):

(i) by the REIT, pursuant to the provision described in paragraph (ii) under "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement — Termination by the REIT*" [*Superior Proposal*];

(ii) by the Purchaser, pursuant to the provision described in paragraph (ii) under "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement — Termination by the Purchaser*" [*Change in Recommendation*];

(iii) by the Purchaser, pursuant to the provision described in paragraph (i) under "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement — Termination by the Purchaser*" [*Breach by the REIT*] to the extent that the breach underlying such termination was a wilful breach; or

(iv) by the REIT or the Purchaser pursuant to the provision described in paragraph (i) and (iii) under "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement — Termination by either the REIT or the Purchaser* and *Occurrence of Outside Date*" [*Arrangement Resolution not Approved* and *Occurrence of Outside Date*] if: (A) prior to such termination, a *bona fide* Acquisition Proposal is made or publicly announced, or any Person publicly announces an intention to make an Acquisition Proposal other than the Purchaser (or any Affiliate of the Purchaser); and (B) within nine (9) months of such termination, the REIT enters into a definitive agreement in respect of such Acquisition Proposal which is subsequently completed; provided that, for the purpose of this provision, the term "Acquisition Proposal" shall have the meaning ascribed to such term, except that references to "20%" shall be deemed to be "50%".

Termination Fee Payable by the Purchaser

The Purchaser Termination Fee is payable by the Purchaser to the REIT in the event the Arrangement Agreement is terminated:

(i) by the REIT or the Purchaser pursuant to the provision described in paragraph (iii) under "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement — Termination by either the REIT or the Purchaser*" [*Occurrence of Outside Date*] if prior to such termination there was a breach of the Management Covenant, which such breach caused, or materially contributed to, the Effective Time not occurring on or prior to the Outside Date; or

(ii) by the REIT, pursuant to the provision described in paragraph (i) under "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement — Termination by the REIT*" [*Breach by the Purchaser*] to the extent that the breach underlying such termination was a wilful breach.

Injunctive Relief

The Parties to the Arrangement Agreement agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that a Party does not perform any of the provisions of the Arrangement Agreement in accordance with their specific terms or otherwise breaches such provisions. Accordingly, the Parties acknowledge and agree that they shall be entitled to specific performance of the terms of the Arrangement Agreement and an injunction or injunctions and other

equitable relief to prevent and/or remedy breaches or threatened breaches of the Arrangement Agreement, and to enforce compliance with the terms of the Arrangement Agreement without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief hereby being waived.

Notwithstanding anything to the contrary in the Arrangement Agreement, it is acknowledged and agreed that the Purchaser's obligation under the Arrangement Agreement, and the REIT's right to specifically enforce such obligations shall be subject to the requirement that certain closing conditions have been satisfied or waived by the applicable Party or Parties for whose benefit such conditions exist (excluding conditions that, by their terms, can only be satisfied at the Effective Time, but that are reasonably capable of being satisfied at the Effective Time), the Purchaser fails to consummate the Arrangement on the date on which the Effective Date should have occurred pursuant to the terms of the Arrangement Agreement, and the REIT and the GP have jointly irrevocably confirmed that, if specific performance is granted, they are ready, willing and able to consummate the Arrangement.

Notwithstanding anything to the contrary in the Arrangement Agreement, it is acknowledged and agreed that the obligation of the REIT and the GP to consummate the Arrangement and the other transactions contemplated by the Arrangement Agreement, and the Purchaser's right to specifically enforce such obligations shall be subject to the requirement that certain closing conditions have been satisfied or waived by the applicable Party or Parties for whose benefit such conditions exist (excluding conditions that, by their terms, can only be satisfied at the Effective Time, but that are reasonably capable of being satisfied at the Effective Time), the REIT and the GP fail to consummate the Arrangement on the date on which the Effective Date should have occurred pursuant to the terms of the Arrangement Agreement, and the Purchaser has confirmed that, if specific performance is granted, it is ready, willing and able to consummate the Arrangement.

The Parties further agree the seeking of remedies pursuant to these injunctive relief provisions shall not in any respect constitute a waiver by a Party of its right to seek any other form of relief that may be available to it under the Arrangement Agreement and nothing set forth in the Arrangement Agreement shall require a Party to institute any proceeding for (or limit a Party's right to institute any proceeding for) specific performance prior or as a condition to exercising any termination right under the Arrangement Agreement (and pursuing damages or payment of the REIT Termination Fee or Go-Shop Fee after such termination), nor shall the commencement of any legal proceeding by a Party seeking injunctive relief remedies restrict or limit such Party's right to terminate the Arrangement Agreement in accordance with the terms thereof or pursue any other remedies under the Arrangement Agreement that may be available then or thereafter. Notwithstanding the foregoing, under no circumstances shall the Purchaser, directly or indirectly, be permitted or entitled to receive both a grant of specific performance to enforce the REIT's and the GP's obligations to consummate the Arrangement and payment of the REIT Termination Fee or Go-Shop Fee, as applicable, or the REIT, directly or indirectly, be permitted or entitled to receive both a grant of specific performance to enforce the Purchaser's obligation to consummate the Arrangement and payment of a Purchaser Termination Fee.

If, prior to the Outside Date, any Party brings any action in accordance with the injunctive relief provisions to enforce specifically the performance of the terms and provisions herein by any other Party, the Outside Date shall automatically be extended (i) for the period during which such action is pending, plus twenty (20) Business Days, or (ii) by such other time period established by the court presiding over such action, as the case may be.

Amendment and Waiver

The Arrangement Agreement may be amended by mutual written agreement of the Parties at any time before or after the Meeting, and any such amendment may, subject to the Interim Order and Final Order and Law, without limitation: (i) change the time for performance of any of the obligations or acts of the Parties; (ii) waive any inaccuracies or modify any representation or warranty contained in the Arrangement Agreement or in any document delivered pursuant to the Arrangement Agreement; (iii) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the

obligations of the Parties; and/or (iv) waive compliance with or modify any mutual conditions precedent herein contained.

The Arrangement Agreement also provides that no waiver of any of the provisions of the Arrangement Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under the Arrangement Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

SUMMARY OF THE BACKSTOP LOAN AGREEMENT

The following is a summary of the principal terms of the Backstop Loan Agreement. This summary does not purport to be complete and may not contain all of the information about the Backstop Loan Agreement that is important to you. The summary of the material terms of the Backstop Loan Agreement below and elsewhere in this Circular is qualified in its entirety by reference to the Backstop Loan Agreement, which has been filed by the REIT on SEDAR+ at www.sedarplus.ca and on the REIT's website at www.melcorreit.ca/special-meeting. We urge you to read a copy of the Backstop Loan Agreement carefully and in its entirety, as the rights and obligations of the Parties are governed by the express terms thereof and not by this summary or any other information contained in this Circular.

Terms of the Loan

The Advance

On September 12, 2024, the Limited Partnership, as borrower, the REIT, as covenantor and guarantor, and the Purchaser, as lender, entered into the Backstop Loan Agreement. Pursuant to the Backstop Loan Agreement, the Purchaser has agreed to make an unsecured loan to the Limited Partnership in the principal amount equal to the Debenture Repayment Amount, by way of one advance (the "**Advance**") made in accordance with the Backstop Loan Agreement.

The Advance shall be made no later than two (2) Business Days following the date of receipt by the Purchaser, as lender, of a written request from the REIT to the Purchaser requesting the making of the Advance (the "**Utilization Request**") in accordance with the terms of the Backstop Loan Agreement, provided that, unless otherwise agreed by the Purchaser in its sole discretion, the Purchaser shall not be required to make the Advance until the date that is two (2) Business Days prior to the Redemption Date or December 31, 2024, as applicable. The Advance is a non-revolving facility, and any repayment or prepayment of the Advance shall not be re-borrowed.

Interest and Maturity

Following the Advance, accrued interest at the fixed rate of twelve percent (12.0%) per annum shall be payable semi-annually in arrears on June 30 and December 31 in each year, payable after as well as before maturity and after as well as before default, demand and judgment, with interest on amounts in default at the same rate, compounded semi-annually.

Except as otherwise provided in the Backstop Loan Agreement, the outstanding principal amount of the Advance outstanding together with all interest accrued and unpaid (such collective amount, the "**Loan**"), together with all accrued and unpaid interest, will be immediately due and payable by the Limited Partnership to the Purchaser on the date which is three (3) years from the date of the Advance. The Limited Partnership shall be entitled to pre-pay, without penalty, fee or premium, on two Business Days' notice, all amounts owing.

Use of Proceeds

The Limited Partnership shall use the proceeds of the Advance to repay in full the Debenture Proceeds Note. The REIT covenants and agrees to use the proceeds from the repayment of the Offering Proceeds Note to redeem or repay, as applicable, the Debentures and pay any accrued and unpaid interest and any other amounts relating to the Debentures, to discharge the REIT's obligations thereunder in full.

Mandatory Prepayments

Following the date of the Advance and thereafter while any amount remains outstanding under the Loan, no later than five (5) Business Days following receipt by the Limited Partnership of Net Cash Proceeds, the Limited Partnership shall pay to the Purchaser, as a prepayment against the Loan, an amount equal to 50% of such Net Cash Proceeds.

REIT Guarantee

Pursuant to the Backstop Loan Agreement, the REIT unconditionally guarantees to the Purchaser the due and punctual payment by the Limited Partnership of all amounts owing under the Backstop Loan Agreement by the Limited Partnership to the extent that should the Limited Partnership default in the due and punctual payment of any such amount, the REIT shall pay such amounts to the Purchaser on demand. The guarantee of the Limited Partnership's obligations is a continuing guarantee and shall be irrevocable and remain in full force and effect until amounts owing by the Limited Partnership have been paid or satisfied in full. The REIT's guarantee of the Limited Partnership's obligations is a principal obligation and not merely the obligation of a surety and the Purchaser shall not be required to proceed against the Limited Partnership or exhaust any remedies it may have against the Limited Partnership but shall be entitled to demand and receive payment and performance from the REIT when any payment or performance is due under the Backstop Loan Agreement.

Lender's Conditions Precedent to Advance

The obligation of the Purchaser to make the Advance is subject to and conditional upon the earlier of the following events occurring:

(i) the Arrangement is not consummated for any reason whatsoever (other than as a result of the REIT entering into an agreement which satisfies the definition of Superior Proposal (a "**Superior Proposal Agreement**")) on or before 4:00 p.m. (Edmonton Time) on December 17, 2024; and

(ii) the date on which the Limited Partnership, the REIT and the Purchaser agree in writing to deliver a Redemption Notice (as defined in the Supplemental Indenture) to the holders of the Debentures pursuant to Section 2.1(c) of the Supplemental Indenture,

provided in either case the following conditions precedent are satisfied, fulfilled or otherwise met on the date of the Advance: (a) no Event of Default has occurred and is continuing; (b) ATB, in its capacity as administrative agent under the Senior Credit Agreement, shall have provided its written consent to the Backstop Loan Agreement and the making of the Advance to the Limited Partnership, such consent to be in form and content to the satisfaction of the Purchaser acting reasonably; (c) the Purchaser shall have received a Utilization Request requesting the Advance; and (d) the Limited Partnership and/or the REIT has paid to the debenture trustee an amount equal to the accrued but unpaid interest payable on the Debentures on the Redemption Date or December 31, 2024, as applicable.

Representations and Warranties

The Limited Partnership and the REIT provided joint and several representations and warranties to the Purchaser as of the date of the Backstop Loan Agreement and at the date of the Advance (if any) that: (i) each has been duly formed under the laws of its jurisdiction of formation and is validly existing; (ii) each

has full power and capacity to enter into the Backstop Loan Agreement and to execute and deliver all documents as are required thereunder to be executed and delivered by it in accordance with the terms thereof, and it has taken all necessary corporate or trust action, as applicable, to duly authorize the entering into, execution, delivery and performance of the Backstop Loan Agreement; (iii) each has duly authorized, executed and delivered the Backstop Loan Agreement; and (iv) the Backstop Loan Agreement will create legal, valid and binding obligations of the Limited Partnership and the REIT enforceable against it in accordance with its terms. The Purchaser shall not be entitled to assert as a breach any inaccuracy in any representation or warranty of the REIT or the Limited Partnership if, as of the date of the Backstop Loan Agreement, the Purchaser or its representatives had knowledge of the inaccuracy or breach of such representation or warranty.

The representations and warranties are solely for the purposes of negotiating and entering into the Backstop Loan Agreement and Voting Unitholders should not rely on the representations and warranties as statements of fact.

Covenants

Covenants of the Limited Partnership and the REIT

Each of the Limited Partnership and the REIT covenant and agree with the Purchaser that: (i) it will maintain its existence; (ii) it will comply and conduct its business in such a manner so as to comply in all material respects with applicable Law; and (iii) in the event that the Purchaser ceases to be the manager of the REIT pursuant to the Asset Management Agreement and/or the Property Management Agreement after the Advance, the Limited Partnership and the REIT shall provide to the Purchaser such financial statements (annual and quarterly), management discussion and analysis of financial condition and results of operation and financial forecasts as are required to be provided to the lenders pursuant to the Senior Credit Agreement (or any replacement thereof).

Covenants of the Lender

The Purchaser covenants and agrees with the Limited Partnership and the REIT that the Purchaser will not, and will cause its representatives to not, take or fail to take any action, including in its capacity as a unitholder of the REIT, manager of the REIT, or as a counterparty to the REIT in the various contractual arrangements between the Purchaser and the REIT, to frustrate, obstruct the completion of or otherwise prevent or delay the transactions contemplated by the Backstop Loan Agreement, or, to cause an Event of Default hereunder.

Events of Default

The occurrence of any one or more of the following events shall constitute an "**Event of Default**" under the Backstop Loan Agreement:

(i) the Limited Partnership fails to make any interest payment payable under the Backstop Loan Agreement when due, and such failure continues after the expiry of fifteen (15) days following written notice of such failure by the Purchaser to the Limited Partnership;

(ii) the Limited Partnership fails to make any payment of any principal amount of the Loan payable under the Backstop Loan Agreement when due, and such failure continues after the expiry of seven (7) days following written notice of such failure by the Purchaser to the Limited Partnership;

(iii) the Limited Partnership defaults in observing or performing any covenant of the Backstop Loan Agreement and such default continues unremedied or waived after the expiry of thirty (30) days following written notice of such default by the Purchaser to the Limited Partnership;

(iv) the Backstop Loan Agreement ceases to be in full force and effect;

(v) the institution by the Limited Partnership of proceedings to be adjudicated a bankrupt or insolvent or the seeking by it of liquidation, reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) or relief under any applicable Law relating to bankruptcy, insolvency, reorganization or relief of debtors, or the filing by it of any such petition or to the appointment under any such Applicable Law of a receiver, administrator, receiver-manager, liquidator, assignee or trustee of all or substantially all of the Limited Partnership's property, or the making by it of a general assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due or any proceedings are commenced by a Person other than the Limited Partnership for the bankruptcy, insolvency, administration, reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise), winding-up, liquidation or dissolution of the Limited Partnership; provided that the foregoing shall not apply to any proceedings which are frivolous or vexatious and/or are discharged, stayed or dismissed within ninety (90) days of commencement;

(vi) any representation or warranty given by the Limited Partnership in the Backstop Loan Agreement shall prove to be incorrect and such incorrectness continues unremedied or waived after the expiry of thirty (30) days following written notice of such incorrectness by the Purchaser to the Limited Partnership; or

(vii) the occurrence of an event of default which is continuing under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any funded financial indebtedness for money borrowed by the Limited Partnership, which event of default results in the acceleration of such indebtedness prior to its express maturity and is not rescinded or cured within 60 days after such acceleration, and the principal amount of such indebtedness, together with the principal amount of any other such indebtedness under which there has been a similar event of default or the maturity of which has been so accelerated and remains undischarged after such 60 day period at that time, exceeds $30,000,000, individually or in aggregate.

Acceleration on Default

If any Event of Default shall occur and be continuing, the Purchaser may declare, upon written notice to the Limited Partnership, the entire unpaid amount of the Loan to be forthwith due and payable, whereupon the principal amount of the Loan and such interest shall become and be immediately due and payable.

Waiver of Default

If an Event of Default shall have occurred, the Purchaser shall have the power to waive such Event of Default if, in the Purchaser's opinion, the same shall have been cured or adequate provision made therefor, upon such terms and conditions as the Purchaser may consider advisable, provided that no delay or omission of the Purchaser to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein and provided further that no act or omission of the Purchaser shall extend to or be taken in any *manner whatsoever to affect any subsequent Event of Default hereunder or the rights resulting therefrom.*

Enforcement by the Lender

If an Event of Default shall have occurred, but subject to the provisions under "*Waiver of Default*" above, the Purchaser may in its sole discretion proceed to enforce the rights of the Purchaser by any action, suit, remedy or proceeding authorized or permitted by the Backstop Loan Agreement or by Applicable Law; and may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Purchaser lodged, filed or otherwise recorded in any bankruptcy, administration, insolvency, winding-up or other judicial proceedings relating to the Limited Partnership.

Application of Moneys

Any moneys arising from any enforcement by the Purchaser shall be held by the Purchaser and applied by it as follows: (i) first, in payment or reimbursement to the Purchaser of the reasonable costs and expenses, incurred in the enforcement of the Backstop Loan Agreement; (ii) second, in or towards payment of all accrued but unpaid interest hereunder; (iii) third, in or towards repayment of the principal amount of the Loan; and (iv) fourth, the surplus of such moneys shall be paid to the Limited Partnership or as the Limited Partnership may direct.

Remedies Cumulative

No remedy herein conferred upon or reserved to the Purchaser is intended to be exclusive of any other remedy.

Termination

The Backstop Loan Agreement shall automatically terminate and be of no further force or effect immediately upon: (i) the REIT entering into a Superior Proposal Agreement if the Advance has not been made; (ii) the consummation of the Arrangement if the Advance has not been made; (iii) the REIT and/or the Limited Partnership, having first complied with the provisions under "*Right to Match*" below, executing a definitive agreement with respect to a Debenture Take-out Proposal; (iv) the date that is sixty (60) days after the date the REIT enters into a Superior Proposal Agreement, provided the Advance has been made; (v) the date that the REIT undergoes a Change of Control, whether or not the Advance has been made; and (vi) repayment in full of the outstanding Loan; and thereafter the parties shall have no further obligation, liability or debt to each other hereunder.

Right to Match

If the Limited Partnership and/or the REIT receives a *bona fide* Debenture Take-out Proposal that the Limited Partnership and/or the REIT is prepared to accept, the Limited Partnership and/or REIT may enter into a definitive agreement with respect to such Debenture Take-out Proposal, if and only if:

(i) the Person making the Debenture Take-out Proposal was not restricted from making such Debenture Take-out Proposal pursuant to any existing confidentiality, standstill or similar restriction to which the Limited Partnership or the REIT is party;

(ii) such Debenture Take-out Proposal did not arise, directly or indirectly, as a result of a violation by the REIT, directly or indirectly, of any other agreement between the Purchaser, the Limited Partnership and/or the REIT in any material respect;

(iii) the Limited Partnership and the REIT shall have provided the Purchaser with (i) written notice (the "**Debenture Take-out Proposal Notice**") of the intention of the Limited Partnership and/or the REIT to enter into such definitive agreement and (ii) a copy of the proposed definitive agreement for the Debenture Take-out Proposal and all schedules and exhibits thereto;

(iv) at least five (5) Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Purchaser received the Debenture Take-out Proposal Notice and the date on which the Purchaser received a copy of all the other material set forth in (iii); and

(v) prior to or concurrently with entering into a definitive agreement with respect to such Debenture Take-out Proposal, the Limited Partnership and the REIT terminate the Backstop Loan Agreement pursuant to provision (iii) under "*Termination*" above.

During the Matching Period, or such longer period as the REIT may approve, the Purchaser shall have the right, but not the obligation, to offer to amend the terms of the Backstop Loan Agreement to match the

Debenture Take-out Proposal (a "**Matching Amendment**"). If the Purchaser issues a Matching Amendment, the Parties shall amend the Backstop Loan Agreement to give effect to the Matching Amendment. Each successive material amendment to any Debenture Take-out Proposal from the same Person shall constitute a new Debenture Take-out Proposal for the purposes of these matching rights.

Amendments and Waivers

No amendment to any provision of the Backstop Loan Agreement shall be effective unless it is in writing and has been signed by the Purchaser, the Limited Partnership and the REIT.

PROCEDURES FOR THE SURRENDER OF CERTIFICATES AND PAYMENT OF CONSIDERATION

Depositary Agreement

Prior to the Effective Date, the REIT and the Purchaser will enter into a depositary agreement with the Depositary (the "**Depositary Agreement**"). Pursuant to the Arrangement Agreement, the Purchaser will, following receipt by the REIT and GP of the Final Order and at or prior to the filing of the Articles of Arrangement, deposit in escrow with the Depositary sufficient funds to satisfy the aggregate Consideration payable to the Unitholders pursuant to the Plan of Arrangement.

Unitholders will be paid, for each Unit they own, the Per Unit Consideration of $4.95 per Unit, less any Pre-Arrangement Distribution (if any) and less any applicable withholdings, in cash as soon as reasonably practicable following the Effective Time, and in the case of registered Unitholders, subject to receipt of a completed and signed Letter of Transmittal and accompanying certificates representing their Units (if applicable) and the other documents required by Odyssey Trust Company.

Letter of Transmittal

If the Arrangement Resolution is passed and the Arrangement is implemented, in order to receive the aggregate Per Unit Consideration for their Units, a registered Unitholder must complete and sign the Letter of Transmittal enclosed with this Circular and deliver such Letter of Transmittal together with the certificate(s) (if applicable) representing the Units and the other documents required by the instructions set out therein to the Depositary in accordance with the instructions contained in the Letter of Transmittal. A registered Unitholder can obtain additional copies of the Letter of Transmittal by contacting the Depositary. The Letter of Transmittal will also be available under the REIT's profile on SEDAR+ at www.sedarplus.ca and on the REIT's website at www.melcorreit.ca/special-meeting. The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. The tendering of a Letter of Transmittal will constitute a binding agreement between the Unitholder, the REIT and the Purchaser upon the terms and subject to the conditions of the Arrangement Agreement.

Only registered Unitholders are required to submit a Letter of Transmittal. The exchange of Units for the Per Unit Consideration in respect of non-registered Unitholders whose Units are held with an intermediary through CDS is expected to be made with such non-registered Unitholder's intermediary (bank, trust company, securities broker or other nominee) account through the procedures in place for such purposes between CDS and such intermediary. Non-registered Unitholders should contact their intermediary if they have any questions regarding this process, and to arrange for their intermediary to complete the necessary steps to ensure that they receive the Per Unit Consideration for their Units as soon as possible following the completion of the Arrangement. Non-registered Unitholders should carefully follow any instructions provided by their intermediary.

For registered holders, the aggregate Per Unit Consideration for Units deposited, less any applicable withholdings, will be paid to a Unitholder only after timely receipt by the Depositary of certificate(s) representing the Units held by such Unitholder, together with a properly completed and duly executed Letter of Transmittal relating to such Units, and any other required documents.

All questions as to validity, form, eligibility (including timely receipt) and acceptance of any Units deposited pursuant to the Arrangement Agreement will be determined by the REIT, the GP, and the Purchaser in their sole discretion. Unitholders agree that such determination shall be final and binding. The REIT reserves for itself and the Purchaser the absolute right to reject any and all deposits which it determines not to be in proper form or which may be unlawful for it to accept under the Laws of any jurisdiction. The REIT also reserves for itself and the Purchaser the absolute right to waive any defect or irregularity in any Letter of Transmittal or in the deposit of any Units and any such waiver or non-waiver will be binding upon the affected Unitholders. The granting of a waiver to one or more Unitholders does not constitute a waiver for any other Unitholders. The REIT and the Purchaser reserve the right to demand strict compliance with the terms of the Letters of Transmittal. There shall be no duty or obligation on the REIT, the GP, the Purchaser, the Depositary or any other person to give notice of any defect or irregularity in any deposit of Units and no liability shall be incurred by any of them for failure to give such notice. The REIT's and the Purchaser's interpretation of the terms and conditions of the Arrangement Agreement (including this Circular and Letter of Transmittal) shall be final and binding.

The method of delivery of certificates representing Units and all other required documents is at the option and risk of the Person depositing the same. The REIT recommends that such documents be delivered by hand to the Depositary and a receipt obtained or, if mailed, that registered mail with return receipt requested be used and that appropriate insurance be obtained. Under no circumstances will interest accrue or be paid by the REIT, the Depositary, the Purchaser or any other Person to Persons depositing Units, regardless of any delay in making such payment.

Payment of Consideration to Unitholders

Registered Unitholders who deposit a validly completed and duly signed Letter of Transmittal, together with accompanying certificate(s) representing their Units (if applicable) and any such additional documents and instruments as the Depositary may reasonably require, will receive, in exchange therefor, the Per Unit Consideration, being an aggregate amount equal to $4.95 per Unit, less any Pre-Arrangement Distribution (if any) and less any amounts withheld pursuant to the Arrangement Agreement and the Plan of Arrangement, with such surrendered certificate(s) being cancelled.

Following the Effective Time and until surrendered for cancellation, each certificate that immediately prior to the Effective Time represented one or more Units will cease to represent any rights with respect to Units and shall be deemed at all times to represent only the right to receive in exchange therefor the aggregate Per Unit Consideration that the holder of such certificate is entitled to receive in accordance to the Arrangement Agreement, less any amounts withheld pursuant to the Arrangement Agreement and the Plan of Arrangement. Any such certificate formerly representing Units not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Units of any kind or nature against or in the REIT or the Purchaser. On such date, all Consideration per Unit to which such former holder was entitled in respect of each of its Units shall be deemed to have been surrendered to the Purchaser and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

Any payment made by the Depositary (or the REIT, as applicable) pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary (or the REIT or any of its Subsidiaries, as applicable) or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment thereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Units pursuant to the Plan of Arrangement and shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the REIT (including any successor thereto), as applicable, for no consideration.

No holder of Units will be entitled to receive any consideration with respect to such securities other than the cash payment, if any, to which such holder is entitled to receive in accordance with the Plan of Arrangement and, for greater certainty, no such holder will be entitled to receive any interest, distributions, premium or other payment in connection therewith other than, in respect of Units, any declared but unpaid distributions

with a record date prior to the Effective Date. No distribution declared or made after the Effective Time with respect to any securities of the REIT with a record date on or after the Effective Date will be delivered to the holder of any unsurrendered certificate which, immediately prior to the Effective Date, represented outstanding Units that were redeemed pursuant to the Plan of Arrangement.

In the event any certificate which immediately prior to the Effective Date represented one or more outstanding Units that were transferred pursuant to the Arrangement Agreement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the aggregate cash consideration deliverable in accordance with such holder's duly completed and executed Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered must, if required by the REIT and the Depositary and as a condition precedent to the delivery of such consideration, give an indemnity bond satisfactory to the Purchaser and the Depositary.

The Purchaser, the REIT, the GP and the Depositary, as applicable, shall be entitled to deduct and withhold, or to direct any Person to deduct and withhold from any amount payable and any other consideration deliverable to any Person pursuant to the Plan of Arrangement or the Arrangement Agreement such amounts as the Purchaser, the REIT, the GP or the Depositary, as applicable, is required to deduct or withhold from such amount or other consideration under any provision of any Law in respect of Taxes. To the extent that such amounts are so deducted or withheld, such amounts shall be treated for all purposes under the Arrangement Agreement and the Plan of Arrangement, as applicable, as having been paid to the Person in respect of which such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the relevant governmental entity.

The Depositary will receive reasonable and customary compensation for its services in connection with the Arrangement, will be reimbursed for certain out of pocket expenses and will be indemnified by the REIT against certain liabilities under applicable Securities Laws and expenses in connection therewith.

Currency of Payment

If you are a registered Unitholder, you will receive the Per Unit Consideration in Canadian dollars.

If you are a non-registered Unitholder, you will receive the Per Unit Consideration in Canadian dollars unless you contact the intermediary in whose name your Units are registered and request that the intermediary make an election on your behalf to receive the Per Unit Consideration in respect of your Units in United States dollars. If your intermediary does not make an election on your behalf, you will receive payment in Canadian dollars. The exchange rate that will be used to convert payments from Canadian dollars into United States dollars will be the rate established by your intermediary in accordance with the policies and procedures of your intermediary. All risks associated with the currency conversion from Canadian dollars to United States dollars, including risks relating to change in rates, the timing of exchange or the selection of a rate for exchange, and all costs incurred with the currency conversion are for the non-registered Unitholder's sole account and will be at such non-registered Unitholder's sole risk and expense.

Pursuant to the Plan of Arrangement, each of the Purchaser, the REIT, the GP, the Depositary and any other Person that makes a payment shall be entitled to deduct and withhold, or direct any other Person to deduct and withhold on their behalf, from the amount payable to any Person under the Plan of Arrangement such amount as the Purchaser, the REIT, the GP, the Depositary or such other Person deems, each acting reasonably, is required to be deducted or withheld pursuant to the Tax Act or any provision of any Law in connection with any step under the Plan of Arrangement and remit such deducted and withheld amount to the appropriate Regulatory Authority. For greater certainty, if an amount is required to be withheld in connection with the Special Distribution, the Purchaser, the REIT, the GP, the Depositary or any other applicable Person shall be permitted to either withhold such amount from the cash consideration payable to such Unitholder under the Plan of Arrangement or withhold and dispose Units through consolidation pursuant to Section 2.3(c) of the Plan of Arrangement. To the extent that any amount is so properly deducted, withheld and remitted, such amount shall be treated for all purposes of the Plan of Arrangement

as having been paid to the relevant recipient, provided that such amounts are actually remitted to the appropriate Regulatory Authority.

DISSENT RIGHTS

Pursuant to the Plan of Arrangement and the Interim Order, registered Unitholders who comply with the procedures set out in Section 191 of the ABCA, as modified and supplemented by the Interim Order and the Plan of Arrangement, are entitled to dissent in respect of the Arrangement Resolution. Set out below is a summary of the provisions of Section 191 of the ABCA, as modified by the Plan of Arrangement and the Interim Order, relating to a Unitholder's dissent rights in respect of the Arrangement (the "**Dissent Rights**"). Such summary is not a comprehensive statement of the procedures to be followed by a registered Unitholder who seeks payment of the fair value of its Units and is qualified in its entirety by reference to the full text of Section 191 the ABCA, which is attached to this Circular as Schedule "G", as modified by the Plan of Arrangement, which is attached to this Circular as Schedule "C", and the Interim Order, which is attached to this Circular as Schedule "F" and the Final Order.

The Court hearing the application for the Final Order also has the discretion to alter the Dissent Rights described herein based on the evidence presented at such hearing.

Persons who are beneficial owners of Units registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only the registered holders of such Units are entitled to dissent. Accordingly, a beneficial owner of Units desiring to exercise his, her or its right to dissent must make arrangements for the Units beneficially owned by such beneficial owner to be registered in his, her or its name before exercising any Dissent Rights.

The Interim Order expressly provides registered Unitholders with the right to dissent with respect to the Arrangement Resolution. Each Dissenting Unitholder will be entitled to be paid the fair value for Units held by such Dissenting Unitholder, which fair value, notwithstanding anything to the contrary contained in the ABCA shall be determined as of the close of business on the last Business Day before the Arrangement Resolution was approved at the Meeting. The Dissenting Unitholder will not be entitled to the Per Unit Consideration that would have been payable to such Unitholder if such Unitholder had not exercised their Dissent Rights in respect of such Units.

In order for a registered Unitholder to exercise such right to dissent under section 191(5) of the ABCA, the registered Unitholder’s written objection to the Arrangement Resolution must be received by the REIT, c/o DLA Piper (Canada) LLP, Attention: Jarrod Isfeld, Suite 1000, Livingston Place West, 250 2nd St SW, Calgary, AB T2P 0C1 by not later than 5:00 p.m. (Mountain Time), two Business Days immediately preceding the date of the Meeting.

Any Dissenting Unitholder should seek independent legal advice, as failure to comply strictly with the provisions of Section 191 of the ABCA, as modified and supplemented by the Plan of Arrangement and Interim Order, may result in the loss of all Dissent Rights. To exercise Dissent Rights, a registered Unitholder must strictly comply with Section 191 of the ABCA, as modified and supplemented by the Plan of Arrangement and the Interim Order, and failure to do so may result in the loss of all Dissenting Unitholder's rights. Accordingly, each Dissenting Unitholder should carefully consider and comply with the provisions of Section 191 of the ABCA, as modified by the Plan of Arrangement and Interim Order and consult such Unitholder's legal advisor.

Dissenting Unitholders who validly withdraw their Dissent Rights or who are ultimately determined not to be entitled, for any reason, to be paid fair value for their Units will be deemed to have participated in the Arrangement on the same basis as a non-Dissenting Unitholder and shall be entitled to receive a cash payment of $4.95 (less any Pre-Arrangement Distribution (if any) and less applicable withholdings) from the REIT for each Unit formerly held by them in accordance with the Plan of Arrangement.

In addition to any other restrictions under Section 191 of the ABCA, holders of Units who vote in favour of the Arrangement Resolution, or have instructed a proxyholder to vote such Units in favour of the Arrangement Resolution, shall not be entitled to exercise Dissent Rights and shall be deemed to have not exercised Dissent Rights in respect of such Units.

No Dissent Rights shall be available to holders of SVUs or any person who is not a registered Unitholder.

Dissenting Unitholders who validly exercise their right to dissent, as set out in Section 191 of the ABCA as modified and supplemented by the Plan of Arrangement and the Interim Order, and who:

(i) are determined to be entitled to be paid the fair value of their Units, shall be deemed to have had such Units redeemed by the REIT as of the Effective Time without any further act or formality and free and clear of all liens, claims and encumbrances in exchange for the fair value of the Units; or

(ii) are, for any reason (including, for clarity, any withdrawal by any Dissenting Unitholder of their dissent) determined not to be entitled to be paid the fair value for their Units shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Unitholder and such Units will be deemed to be exchanged for the Consideration under the Arrangement,

but in no event shall the REIT or any other person be required to recognize such Unitholders as holders of Units after the Effective Time, and the names of such Unitholders shall be removed from the register of Units.

Subject to the requirements as set out in Section 191 of the ABCA, as modified and supplemented by the Interim Order and the Plan of Arrangement, an application may be made to the Court by a Dissenting Unitholder after adoption of the Arrangement Resolution to fix the fair value of the Dissenting Unitholder's Dissenting Units. If such an application to the Court is made by a Dissenting Unitholder, the REIT shall, unless the Court otherwise orders, send to each Dissenting Unitholder a written offer to pay such person an amount considered by the REIT Board to be the fair value of the Dissenting Units held by such Dissenting Unitholder. The offer, unless the Court otherwise orders, shall be sent to each Dissenting Unitholder within ten (10) days after the REIT is served with notice of the application for a Dissenting Unitholder as the applicant. The offer will be made on the same terms to each Dissenting Unitholder and will be accompanied by a statement showing how the fair value was determined.

Section 191 of the ABCA

Section 191 of the ABCA provides registered shareholders of a corporation with the right to dissent from certain resolutions that effect extraordinary corporate transactions or fundamental corporate changes. The Interim Order expressly provides registered Unitholders with Dissent Rights, as if such Unitholders were shareholders of a body corporate incorporated pursuant to the ABCA. Any registered Unitholder who dissents from the Arrangement Resolution in compliance with Section 191 of the ABCA, as modified and supplemented by the Plan of Arrangement and the Interim Order, will, if the registered Unitholder is ultimately entitled to be paid the fair value thereof, be deemed have had their Units redeemed by the REIT as of the Effective Time and will be entitled to be paid the fair value of the securities held by such Dissenting Unitholder determined as of the close of business on the day before the Arrangement Resolution is approved. If a Dissenting Unitholder is ultimately not entitled to be paid the fair value for its Units, such Dissenting Units will be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Units notwithstanding the provisions of Section 191 of the ABCA.

The foregoing is only a summary and is qualified in its entirety by the full text of Section 191 of the ABCA, the Plan of Arrangement and the Interim Order, which provisions are technical and complex. It is recommended that any registered Unitholder wishing to avail himself, herself or itself of his, her or its Dissent Rights under those provisions seek legal advice, as failure to comply strictly with the provisions of the ABCA (as modified and supplemented by the Plan of Arrangement and the Interim Order) may prejudice his, her or its Dissent Rights.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of DLA Piper, the following is a summary as at the date hereof of the principal Canadian federal income tax considerations generally applicable under the Tax Act to a beneficial holder of Units who receives the Special Distribution and whose Units are redeemed pursuant to the Arrangement, or who is a Dissenting Unitholder, and who, in each case, for purposes of the Tax Act and at all relevant times, deals at arm's length with the REIT (and each of its affiliates), is not affiliated with the REIT (or any of its affiliates), and holds its Units as capital property (a "**Holder**"). Generally, Units will be considered to be capital property to a Unitholder provided that the Unitholder does not hold the Units in the course of carrying on a business of trading or dealing in securities and has not acquired the Units in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to holders of SVUs and such holders should consult their own tax advisors with respect to the Arrangement.

This summary is based upon (i) the facts set out in the Circular and in a certificate of the REIT as to certain factual matters, (ii) the current provisions of the Tax Act in force on the date hereof, and (iii) counsel's understanding of the current administrative policies and assessing practices of the CRA published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"), and assumes the Tax Proposals will be enacted in the form proposed. However, there can be no assurance that the Tax Proposals will be enacted in the form proposed or at all. Except for the Tax Proposals, this summary does not take into account or anticipate any changes in the law or in the administrative policies or assessing practices of the CRA, whether by legislative, governmental or judicial action or decision, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed in this summary. In addition, this summary does not address the deductibility of interest expense incurred by a Unitholder in connection with the acquisition or holding of Units or any of the Tax Proposals relating thereto.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Unitholder. This summary is not exhaustive of all Canadian federal income tax considerations. Unitholders are urged to consult their own tax advisors to determine the particular tax consequences applicable to them under the Arrangement and any other consequences to them in connection with the Arrangement under Canadian federal, provincial, territorial or local tax laws and under foreign tax laws, having regard to their own particular circumstances.

Generally, for purposes of the Tax Act, all amounts relevant to the computation of income and/or capital gains must be expressed in Canadian dollars. Amounts denominated in any foreign currency generally must be converted into Canadian dollars based on the relevant exchange rate as determined in accordance with the rules in the Tax Act.

This summary assumes that, at all relevant times, the Units are listed on a "designated stock exchange" for purposes of the Tax Act (which includes the TSX). This summary also assumes that no pre-Arrangement reorganization will be undertaken by the REIT or any of the REIT Subsidiaries.

For the purposes of this summary, references to the REIT are to Melcor Real Estate Investment Trust and not to any of its Subsidiaries or other entities in which it holds a direct or indirect interest.

Status of the REIT and Limited Partnership

This summary assumes that the REIT qualifies as a "mutual fund trust" (as defined in the Tax Act) on the date hereof and will continue to so qualify up to the time of the redemption of all the outstanding Units of the REIT pursuant to the Arrangement (the "**Redemption**"). This summary further assumes that the REIT has not at any time been, and is not expected to become at any time up to and including the time of the

Unit redemption, a SIFT Trust. This summary assumes that the Limited Partnership has qualified and will continue to qualify as an "excluded subsidiary entity" as defined in the Tax Act up to and including the time of the Unit redemption, such that the Limited Partnership is not or will not be a "SIFT partnership" within the meaning of the Tax Act. If the REIT were not to qualify as a mutual fund trust, or if the REIT were to be a SIFT Trust, or if the Limited Partnership were to be a "SIFT partnership", at any such time, the Canadian federal income tax considerations described below would, in some respects, be materially and adversely different.

Taxation of the REIT with respect to the Arrangement

The taxation year of the REIT is ordinarily the calendar year; however, the REIT will have a "loss restriction event" ("**LRE**") within the meaning of the Tax Act as a result of the Arrangement. The taxation year of the REIT commencing on January 1 will be deemed to end immediately prior to the LRE and a new taxation year will be deemed to begin at the time of the LRE on the Effective Date. This summary assumes that, for these purposes and in accordance with the Arrangement Agreement, the REIT will make an election for subsection 251.2(6) not to apply to the LRE, such that the REIT will be subject to the LRE at the time of the Unit Redemption.

The REIT generally will be subject to tax under Part I of the Tax Act on its Taxable Income for the taxation year ending on the Effective Date, including net taxable capital gains computed in accordance with the detailed provisions of the Tax Act, less the portion thereof that the REIT deducts in respect of amounts paid or payable, or deemed to be paid or payable, to Unitholders in such taxation year. This will include amounts declared to be payable to Unitholders pursuant to the Special Distribution in accordance with the Plan of Arrangement as discussed further below. The REIT may also generally deduct in accordance with the rules in the Tax Act reasonable administrative costs, interest and other expenses of a current nature incurred by it for the purpose of earning income. To the extent that the REIT incurs losses in a particular taxation year, such losses cannot be allocated to the Unitholders.

As a result of the Arrangement, in computing its Taxable Income for its taxation year ending on the Effective Date, the REIT will include such amount of the income of the Limited Partnership allocated by it in the year to the REIT that is attributable to the period beginning at the start of the Limited Partnership's current fiscal year and ending on the Effective Time as well as net realized capital gains, if any, arising from the deemed transfer of the Class A LP Units of the Limited Partnership and GP Shares of the GP pursuant to the Arrangement. Management of the REIT currently anticipates that the REIT will realize an allowable capital loss on such deemed disposition and that such allowable capital loss should offset any taxable capital gains realized or considered to be realized by the REIT such that it should not have any net taxable capital gains for its taxation year ending on the Effective Date.

Pursuant to the Plan of Arrangement, the REIT will declare to be payable and pay a Special Distribution on the Units in an amount equal to the REIT's good faith estimate of the Taxable Income of the REIT for the taxation year that includes the Effective Time, reduced by any deductions under subsection 104(6) of the Tax Act in respect of REIT distributions made prior to the Effective Time. Management of the REIT currently anticipates that the amount of its Taxable Income that will be paid or made payable by the REIT to Unitholders pursuant to the Special Distribution will be in the range of $0.10 to $0.29 in respect of each Unit. Such range is estimated based upon Taxable Income of the REIT through September 30, 2024 (including asset sales in the Limited Partnership that closed through September 30, 2024) and estimated Taxable Income of the REIT from: (i) operations of the Limited Partnership between September 30, 2024 and the anticipated closing date; (ii) asset sales that closed since September 30, 2024; and (iii) asset sales that are expected to close before the anticipated Closing as a result of due diligence conditions now being satisfied or waived. It does not include any estimate for additional asset sales in the Limited Partnership, including asset sales which are currently under contract and for which due diligence conditions have not been satisfied or waived. If the asset sale subject to due diligence condition closes prior to the Closing of the Arrangement, Taxable Income paid or payable by the REIT to the Unitholders pursuant to the Special Distribution is estimated to be in the range of $0.37 to $0.63 in respect of each Unit. This Special Distribution will be made through the issuance of additional Units to the Unitholders, rather than by way of cash

payment. Management of the REIT intends that after the Special Distribution, the REIT will not be liable in the year for any tax under Part I of the Tax Act.

Taxation of Limited Partnership with respect to the Arrangement

The Limited Partnership is not subject to tax under the Tax Act. Each partner of the Limited Partnership is required to include or deduct in computing the partner's income for a particular taxation year the partner's share of the income or loss of the Limited Partnership for its fiscal year ending in, or coincidentally with, the partner's taxation year, whether or not any of that income is distributed to the partner in the taxation year. For this purpose, the income or loss of the Limited Partnership will be computed for each fiscal year as if the Limited Partnership were a separate person resident in Canada. In computing the income or loss of the Limited Partnership, income will include rent in respect of its properties as well as any taxable capital gains and recapture of capital cost allowance arising on the disposition of capital property owned by the Limited Partnership. Deductions may be claimed in respect of available capital cost allowance, reasonable administrative costs, interest and other expenses incurred by the Limited Partnership for the purpose of earning income, subject to the relevant provisions of the Tax Act and the Tax Proposals. The income or loss of the Limited Partnership for a fiscal year will be allocated to the partners of the Limited Partnership, including the REIT, on the basis of their respective share of that income or loss as provided in the limited partnership agreement, subject to the detailed rules in the Tax Act in that regard. In respect of the Arrangement, the Limited Partnership Agreement shall be deemed amended to reflect that income of the Limited Partnership attributable to the period beginning at the start of its current fiscal year and ending on the Effective Time shall be allocated to the holders of partnership units immediately prior to the Effective Time, such that the REIT will be allocated its proportionate share of such income notwithstanding that the REIT will not be a limited partner of the Limited Partnership at the end of such fiscal year.

Taxation of Holders Resident in Canada

The following portion of this summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act, is or is deemed to be resident in Canada (a "**Resident Holder**"). Certain Resident Holders who might not otherwise be considered to hold their Units as capital property may, in certain circumstances, be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have such Units, and any other "Canadian security" (as defined in the Tax Act) owned in the taxation year in which the election is made or in subsequent taxation years, deemed to be capital property. Resident Holders considering making such an election are urged to consult their own legal and tax advisors to determine the applicability and particular tax effects to them of making such an election.

This portion of the summary does not apply to a Resident Holder: (i) that is a "financial institution" (for purposes of the mark-to-market rules in the Tax Act); (ii) that is a "specified financial institution"; (iii) an interest in which is a "tax shelter investment"; (iv) that reports its "Canadian tax results" in a currency other than the Canadian currency; or (v) that enters into, with respect to their Units, a "derivative forward agreement" (as each such term in quotation marks is defined in the Tax Act). Any such Resident Holders should consult their own tax advisors with respect to the Arrangement.

Special Distribution and Consolidation of Units

A Resident Holder will generally be required to include in income for the Resident Holder's taxation year that includes the Effective Date the portion of the Taxable Income of the REIT, including net realized taxable capital gains, that is paid or payable, or deemed to be paid or payable, to the Resident Holder pursuant to the Special Distribution which is paid through the issuance of additional Units. With respect to any portion of distributions made payable by the REIT (including the Special Distribution) in the taxation year of the REIT that includes the Effective Date that, in each case, represents items of net income, other than amounts that the REIT has designated as net taxable capital gains in accordance with the Tax Act as discussed below, such amounts will be subject to the general rules relating to the recognition and distribution of income and be fully included in the Resident Holder's taxable income in the relevant taxation year.

Appropriate designations will be made by the REIT, to the extent permitted by the Tax Act, such that net taxable capital gains of the REIT, if any, for the taxation year of the REIT ending on the Effective Date that are paid or made payable to a Resident Holder pursuant to the Special Distribution will retain their character and be treated and taxed as such in the hands of the Resident Holder for purposes of the Tax Act. To the extent that a portion of the Special Distribution is designated as having been paid to Resident Holders as taxable capital gains for purposes of the Tax Act, such amounts will be subject to the general rules relating to the taxation of capital gains and losses, as described below under the heading "*Taxation of Holders Resident in Canada - Taxation of Capital Gains and Capital Losses*".

The non-taxable portion of capital gains, if any, of the REIT that is paid or payable, or deemed to be paid or payable, to a Resident Holder as a result of the Special Distribution will not be included in computing the Resident Holder's income for the taxation year in which the Special Distribution is paid or payable.

As discussed above, the Special Distribution that is made through the issuance of additional Units may give rise to a taxable income inclusion for the Resident Holder even though no cash has been distributed to such Resident Holder. However, such Units issued to a Unitholder in lieu of a cash distribution of income will have a cost to the Unitholder equal to the amount of the Special Distribution. Under the Tax Act, the adjusted cost base of the additional Units will be averaged with the adjusted cost base of all other Units already owned by the Unitholder in order to determine the respective adjusted cost base of each such Unit.

Immediately following such distribution of Units pursuant to the Special Distribution, all the Units shall be deemed under the Arrangement to have been consolidated so that each Unitholder will hold after the consolidation the same number of Units as the Unitholder held before the Special Distribution net of, in the case of a Non-Resident Unitholder, the number of Units that will be withheld on account of any withholding taxes. Such consolidation should not result in a disposition for tax purposes such that a Resident Holder should not realize any taxable income or gain solely as a result of the consolidation. Further, the adjusted cost base of a Resident Holder's post-consolidation Units immediately after the consolidation will be equal to the adjusted cost base of the Resident Holder's Units immediately prior to the consolidation.

Redemption of Units

Under the Arrangement, the Redemption will result in a disposition of Units by a Resident Holder for purposes of the Tax Act. On such disposition, a Resident Holder will realize a capital gain (or capital loss) equal to the amount, if any, by which the Resident Holder's proceeds of disposition (calculated in the manner described below), net of any reasonable costs of disposition, exceed (or are exceeded by) the aggregate of the Resident Holder's adjusted cost base of such Units.

A Resident Holder's proceeds of disposition will not include any amount paid or payable to the Resident Holder by the REIT pursuant to the Special Distribution, including the following components thereof: (i) any amount paid or payable to the Resident Holder by the REIT that represents net taxable capital gains, if any, realized by the REIT, (ii) any amount paid or payable to the Resident Holder by the REIT that represents the non-taxable portion of such capital gains, if any, or (iii) any amount paid or payable to the Resident Holder by the REIT that represents Taxable Income other than net taxable capital gains, as described above under the heading "*Certain Canadian Federal Income Tax Considerations — Taxation of Holders Resident in Canada — Special Distribution and Consolidation of Units*".

Any capital gain (or capital loss) realized by the Resident Holder will be subject to the general rules relating to the taxation of capital gains and losses, as described below under the heading "*Certain Canadian Federal Income Tax Considerations — Taxation of Holders Resident in Canada - Taxation of Capital Gains and Capital Losses*".

Dissenting Unitholders

A Resident Holder who is a Dissenting Unitholder and who is entitled to be paid fair value of the Holder's Units will be considered to have disposed of such Holder's Units to the REIT in exchange for a right to be

paid the fair value of such Units, as determined in accordance with Plan of Arrangement. Such disposition will result in a capital gain (or a capital loss) to such Resident Holder equal to the amount, if any, by which the proceeds of disposition of the Units, net of any reasonable costs of disposition, exceed (or are less than) the aggregate adjusted cost base of the Units to such Resident Holder immediately prior to the disposition. The treatment of capital gains and capital losses is generally described below under "*Certain Canadian Federal Income Tax Considerations — Taxation of Holders Resident in Canada — Taxation of Capital Gains and Capital Losses*".

Any interest awarded by a court to a Resident Holder who is a Dissenting Unitholder will be required to be included in income in the taxation year in which such interest is received or receivable, depending on the method normally used by the Resident Holder in computing its income for purposes of the Tax Act.

A Resident Holder who is a Dissenting Unitholder and who for any reason is not entitled to be paid the fair value of the holder's Units shall in respect of such Units be treated as having participated in the Arrangement as if such Dissenting Unitholder had not dissented. Certain tax considerations in respect of the Arrangement for such a Dissenting Unitholder are generally described above under "*Special Distribution and Consolidation of Units*" and "*Redemption of Units*".

Taxation of Capital Gains and Capital Losses

Subject to the Capital Gains Proposals (as defined below), the amount of any net taxable capital gains of the REIT that are paid or made payable to a Resident Holder pursuant to the Special Distribution, and one-half of any capital gain realized by a Resident Holder on the disposition of a Unit pursuant to the Arrangement, will be included in the Resident Holder's income as a taxable capital gain. Subject to the Capital Gains Proposals, one-half of any capital loss realized by a Resident Holder (an "**allowable capital loss**") on the disposition of a Unit pursuant to the Arrangement generally may be deducted only from any taxable capital gains, if any, realized or considered to be realized by the Resident Holder (including net taxable capital gains, if any, allocated by the REIT) subject to, and in accordance with, the provisions of the Tax Act. Any excess of allowable capital losses over taxable capital gains realized by a Resident Holder in a taxation year may be carried back to the three preceding taxation years or carried forward to any subsequent taxation years and deducted against net taxable capital gains in those years to the extent and under the circumstances described in the Tax Act.

Tax Proposals related to the capital gains inclusion rate (the "**Capital Gains Proposals**") would increase a Resident Holder's capital gains inclusion rate for a taxation year ending after June 24, 2024, from one-half to two-thirds, subject to a transitional rule applicable for a Resident Holder's 2024 taxation year that would reduce the capital gains inclusion rate for that taxation year to, in effect, be one-half for net capital gains realized before June 25, 2024. The Capital Gains Proposals also include provisions that would generally offset the increase in the capital gains inclusion rate for up to $250,000 of net capital gains realized (or deemed to be realized) by Resident Holders that are individuals (including certain trusts) in the year that are not offset by net capital losses carried back or forward from another taxation year. The Capital Gains Proposals also provide that capital losses realized prior to June 25, 2024, which are deductible against capital gains included in income for the 2024 or subsequent taxation years will offset an equivalent capital gain regardless of the inclusion rate which applied at the time such capital losses were realized.

The foregoing summary only generally describes the considerations applicable under the Capital Gains Proposals and is not an exhaustive summary of the considerations that could arise in respect of the Capital Gains Proposals. The Capital Gains Proposals are complex and their application to a particular Resident Holder will depend on the Resident Holder's particular circumstances. Resident Holders should consult their own tax advisors with regard to the Capital Gains Proposals.

Refundable Tax

A Resident Holder that: (i) throughout the relevant taxation year, is a "Canadian-controlled private corporation" (as defined in the Tax Act), or (ii) at any time in the relevant taxation year, is a "substantive CCPC" (as defined in the Tax Act), may be liable to pay an additional tax (refundable in certain

circumstances) on its "aggregate investment income" (as defined in the Tax Act), including any taxable capital gains and interest that are not deductible in computing the Resident Holder's taxable income.

Minimum Tax

Capital gains realized by a Resident Holder who is an individual (other than certain specified trusts) may result in such Resident Holder being liable for alternative minimum tax as calculated under the detailed rules set out in the Tax Act. The Tax Proposals contained in the 2024 Budget include further proposals to modify the existing rules computing alternative minimum tax under the Tax Act. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Tax Implications of the Transaction Structure

The foregoing income tax consequences applicable to the Special Distribution and the Unit Redemption differ from the capital gain (or loss) that would ordinarily be realized by a Resident Holder that disposes of its Units on the TSX prior to the Effective Date. **Resident Holders should consult their own tax advisors to determine the particular tax impacts to them of the Arrangement having regard to their own particular circumstances**.

Taxation of Unitholders that are Registered Plans

A Resident Holder that is a Registered Plan will generally not be liable for tax under Part I of the Tax Act in respect of any Taxable Income of the REIT that is paid or payable (or deemed to be paid or payable) and included in the Registered Plan's income pursuant to the Special Distribution or any capital gain realized by the Registered Plan on the disposition of Units under the Redemption, provided that the REIT continues to qualify as a mutual fund trust within the meaning of the Tax Act up to the time of the Redemption under the Arrangement.

Taxation of Holders Not Resident in Canada

The following portion of this summary is generally applicable to a Holder who, for purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times, (i) is not, and is not deemed to be, a resident of Canada, (ii) does not use or hold, and is not deemed to use or hold, Units in connection with carrying on a business in Canada, and (iii) whose Units are not "taxable Canadian property" (as defined in the Tax Act) (a "**Non-Resident Holder**").

Generally, a Unit will not be taxable Canadian property of a Non-Resident Holder at the time of the disposition of such Unit, unless at any particular time during the 60-month period that ends at the time of the disposition (a) one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder does not deal at arm's length for purposes of the Tax Act, and (iii) partnerships in which the Non-Resident Holder or a person described in (ii) holds a membership interest, directly or indirectly, through one or more partnerships, owned 25% or more of the issued units of the REIT, and (b) more than 50% of the fair market value of such Unit was derived, directly or indirectly, from one or any combination of (i) real or immovable property situated in Canada, (ii) "Canadian resource properties" (as defined in the Tax Act), (iii) "timber resource properties" (as defined in the Tax Act) or (iv) options in respect of, or interests in, or for civil law rights in property described in (i) to (iii), whether or not such property exists. A Non-Resident Holder whose Units may be "taxable Canadian property" should consult their own tax advisors.

Special rules, not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere. Such Non-Resident Holders should consult their own tax advisors.

Special Distribution and Consolidation of Units

Any portion of the Special Distribution that is paid or credited by the REIT to a Non-Resident Holder that represents Taxable Income other than net taxable capital gains will generally be subject to Canadian

withholding tax. Under the Tax Act, such Canadian withholding tax is imposed at the rate of 25% of the gross amount of such income, but this rate of withholding tax may be reduced pursuant to the terms of an applicable income tax treaty or convention between Canada and the country of residence of the Non-Resident Holder (a "**Treaty**"). If the Non-Resident Holder is resident in the United States, is the beneficial owner of the Special Distribution, and is entitled to claim the benefits of the Canada-United States Income Tax Convention (1980), as amended, the rate of withholding will generally be reduced to 15%.

The REIT will withhold (or cause to be withheld) the amount of any such taxes on the amount of the Special Distribution that is reasonably determined by it to constitute Taxable Income other than net taxable capital gains and will remit (or cause to be remitted) such amounts to the tax authorities on behalf of the Non-Resident Holder. Non-Resident Holders may be entitled to a refund of Canadian taxes withheld, if any, under any applicable Treaty. Non-Resident Holders should consult with their own tax advisors with regard to their particular circumstances and the entitlement to any refund of Canadian taxes withheld or the availability of any applicable foreign tax credits in respect of any Canadian withholding taxes.

The REIT will appropriately designate, to the extent permitted by the Tax Act, the portion of Taxable Income distributed to Non-Resident Holders pursuant to the Special Distribution as consisting of net taxable capital gains of the REIT, if any, in the taxation year of the REIT that ends on the Effective Date. The portion of the Special Distribution so designated in respect of a Non-Resident Holder will be deemed for the purpose of the Tax Act to be a taxable capital gain recognized by the Non-Resident Holder in the year.

The lesser of (a) twice the amount so designated as a net taxable capital gain in respect of such Non-Resident Holder and (b) such Non-Resident Holder's *pro rata* portion of the REIT's "TCP gains balance" (as defined the Tax Act) for the taxation year of the REIT ending on the Effective Date (the "**TCP Gains Distribution**") will be subject to Canadian non-resident withholding tax at the rate of 25% if more than 5% of the amounts so designated by the REIT for the year are designated in respect of Unitholders that are either "non-resident persons" or partnerships which are not "Canadian partnerships" (as each such term is defined in the Tax Act). The REIT's TCP gains balance generally includes all capital gains (less all capital losses) realized by (or allocated to) the REIT from the disposition of taxable Canadian property, including real or immoveable property located in Canada, less amounts deemed to be TCP Gains Distributions in preceding taxation years.

Any portion of the Special Distribution that is paid or credited by the REIT to the Non-Resident Holder and that is not addressed in any of the preceding paragraphs in this section will not be subject to tax under the Tax Act.

Pursuant to the Arrangement, the Special Distribution will be made through the issuance of additional Units to the Non-Resident Holder, net of the number of Units that will be withheld on account of any withholding taxes discussed above. Such additional Units will have a cost to the Unitholder equal to the amount of the Special Distribution. Under the Tax Act, the adjusted cost base of the additional Units will be averaged with the adjusted cost base of all other Units already owned by the Unitholder in order to determine the respective adjusted cost base of each such Unit. Immediately following the distribution of additional Units pursuant to the Special Distribution, all the Units shall be deemed under the Arrangement to have been consolidated so that each Non-Resident Unitholder will hold after the consolidation the same number of Units as the Non-Resident Unitholder held before the Special Distribution net of the number of Units that will be withheld on account of any withholding taxes discussed above. Such consolidation should not result in a disposition for tax purposes such that a Non-Resident Holder should not realize any taxable income or gain solely as a result of the consolidation. Further, the adjusted cost base of a Non-Resident Holder's post-consolidation Units immediately after the consolidation will be equal to the adjusted cost base of the Resident Holder's Units immediately prior to the consolidation.

Redemption of Units

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain, or entitled to deduct any capital loss, realized upon Redemption of the Units under the Arrangement, provided that such Units are not taxable Canadian property to the Non-Resident Holder as discussed above.

Dissenting Unitholders

A Non-Resident Holder who is a Dissenting Unitholder and who is entitled to be paid fair value of the holder's Units will be considered to have disposed of such holder's Units to the REIT in exchange for a right to be paid the fair value of such Units, as determined in accordance with the Plan of Arrangement. Such Units will be considered to be units of a "mutual fund trust" that are "Canadian property mutual fund investments" (as each such term is defined in the Tax Act), and such a Non-Resident Holder will be subject to Canadian withholding tax under Part XIII.2 of the Tax Act at a rate of 15% on the proceeds of disposition of the Units.

Any interest awarded by a court to a Non-Resident Holder who is a Dissenting Unitholder will not be subject to tax under the Tax Act.

Tax Implications of the Transaction Structure

The foregoing income tax and withholding tax consequences applicable to the Special Distribution and the Unit Redemption differ from the capital gain (or loss) that would ordinarily be realized by a Non-Resident Holder that disposes of their Units on the TSX prior to the Effective Date. **Non-Resident Holders should consult their own tax advisors to determine the particular tax impacts to them of the Arrangement, having regard to their own particular circumstances and may consider selling their Units on the TSX with a settlement date prior to the Effective Date as an alternative to participating in the Arrangement**.

OTHER TAX CONSIDERATIONS

This Circular does not address any tax considerations of the Arrangement other than certain Canadian federal income tax considerations. Voting Unitholders who are resident or otherwise taxable in jurisdictions other than Canada should consult their own tax advisors with respect to the tax implications of the Arrangement, including any associated filing requirements, in such jurisdictions. Voting Unitholders should consult their own tax advisors regarding provincial, state, territorial, local, foreign or other tax considerations of the Arrangement.

RISK FACTORS

Voting Unitholders should carefully consider the following risks related to the Arrangement, the risk factors discussed in the REIT's most recent annual information form and the REIT's management discussion and analysis for the year ended December 31, 2023, each of which is available under the REIT's profile on SEDAR+ at www.sedarplus.ca, and the other risks described elsewhere in this Circular in evaluating whether to approve the Arrangement Resolution. Additional risks and uncertainties, including those currently unknown to or considered immaterial by the REIT may also adversely affect the Unitholders, the Arrangement and the REIT. The following risk factors are not an exhaustive list of all risk factors associated with the Arrangement Agreement, the Arrangement and related matters.

Risks Relating to the Arrangement

The Arrangement is Subject to Satisfaction or Waiver of a Number of Conditions

The completion of the Arrangement is subject to a number of conditions precedent, some of which are outside of the control of the REIT and the Purchaser, including, without limitation, receipt of Voting Unitholder Approval, the Final Order and Dissent Rights not having been validly exercised by holders of greater than 10% of the issued and outstanding Units. There can be no certainty, nor can the REIT provide any assurance, that all conditions precedent to the Arrangement will be satisfied or waived, or, if satisfied or waived, when they will be satisfied or waived, and as such, completion of the Arrangement is uncertain. A substantial delay in satisfying the conditions precedent to the Arrangement could have a material adverse effect on the operations, financial condition or results of operations of the REIT or result in the termination

of the Arrangement Agreement. See "*Summary of the Arrangement Agreement — Conditions to the Arrangement Becoming Effective*".

Requirement that a Majority of Votes be cast by Disinterested Voting Unitholders and Two-Thirds of Votes be cast by Voting Unitholders in Favour of the Arrangement Resolution

Since the Arrangement constitutes a "business combination" under MI 61-101, to be effective, the Arrangement Resolution must be approved by a majority of the votes cast by disinterested Voting Unitholders entitled to vote in person or represented by proxy at the Meeting. This approval is in addition to the requirement that the Arrangement Resolution be approved by at least two-thirds of the votes cast by Voting Unitholders present in person or represented by proxy at the Meeting. There can be no certainty, nor can the REIT provide any assurance, that the requisite Voting Unitholder Approval will be obtained. If such approval is not obtained and the Arrangement is not completed, the market price of the Units may decline.

Occurrence of a Material Adverse Effect

The completion of the Arrangement is subject to the condition that, among other things, there shall not have occurred Material Adverse Effect in respect of the REIT. Although a Material Adverse Effect excludes certain events, including events in some cases that are beyond the control of the REIT, there can be no assurance that a Material Adverse Effect will not occur prior to the Effective Time. If such a Material Adverse Effect occurs, the Arrangement may not proceed.

Conduct of the REIT's Business

Except in certain circumstances (including as a direct or indirect consequence of any approval by, or action taken (or omitted to be taken) by the Purchaser (excluding a Permitted Action), in any of its Capacities, or its Representatives), pursuant to the terms of the Arrangement Agreement, prior to the completion of the Arrangement or the termination of the Arrangement Agreement, the REIT shall, and shall, to the extent it has the ability to do so, cause the Limited Partnership to conduct its business in the Ordinary Course and in accordance with applicable Law in all material respects and to the extent consistent with the foregoing, preserve intact the current business organization of the REIT and its Subsidiaries and, to the extent it has the ability to do so, the Joint Ventures. In addition, prior to completion of the Arrangement or termination of the Arrangement Agreement, the REIT and its Subsidiaries are subject to certain covenants prohibiting or restricting such parties from taking certain actions which may delay or prevent the REIT from pursuing certain business opportunities that may arise or preclude actions that would otherwise be advisable if the REIT were to remain a publicly traded issuer. These covenants cover a broad range of activities and business practices. Consequently, it is possible that a business opportunity will arise that is out of the ordinary course or is not consistent with past practices, and that neither the REIT nor its Subsidiaries will be able to pursue or undertake the opportunity due to its covenants. See "*Summary of the Arrangement Agreement — Conduct of Business by the REIT Pending the Arrangement*".

Termination of the Arrangement Agreement

Each of the REIT and the Purchaser have the right, in certain circumstances, to terminate the Arrangement Agreement. Accordingly, there can be no certainty, nor can the REIT provide any assurance, that the Arrangement Agreement will not be terminated by either Party prior to the completion of the Arrangement. Further, if the Arrangement Agreement is terminated, under certain circumstances the REIT may be required to pay the REIT Termination Fee. See "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement*" and "*Summary of the Arrangement Agreement — Termination Payments*". Failure to complete the Arrangement could materially negatively impact the market price of the Units.

Another Strategic Transaction May Not Be Available

If the Arrangement is not completed, there can be no assurance that the REIT will be able to find a party willing to pay an equivalent or greater price than the price to be provided by the Purchaser pursuant to the terms of the Arrangement Agreement or willing to proceed at all with a similar transaction or any alternative transaction. Moreover, the REIT may experience difficulty in securing an alternative transaction with a third party given the Purchaser's significant ownership and control position in the REIT.

Restrictions on the REIT's Ability to Solicit Acquisition Proposals from Other Potential Purchasers

While the Arrangement Agreement permitted the REIT to solicit alternative proposals during the Go-Shop Period, following the Go-Shop Period the REIT is restricted from soliciting third parties to make an Acquisition Proposal and from negotiating or engaging with, or furnishing non-public information to, any third parties in respect of an Acquisition Proposal, except in limited circumstances. Further, the Arrangement Agreement requires that in order to constitute a Superior Proposal, among other conditions, an Acquisition Proposal must result in a transaction more favourable from a financial point of view to Unitholders than the Arrangement. Finally, given the Purchaser’s holdings of the REIT, potential bidders may be discouraged from making an offer on terms more favourable than the Arrangement due to a concern that the Purchaser could reject a proposed transaction. See "*Summary of the Arrangement Agreement — Go-Shop and Non-Solicitation Covenants*".

The REIT Termination Fee and the Right to Match may Discourage Other Parties from Making a Superior Proposal

Pursuant to the Arrangement Agreement, as a condition to entering into a definitive agreement in respect of a Superior Proposal, the REIT is required to offer the Purchaser the right to match and may be required to pay the Purchaser the REIT Termination Fee. While these terms are typical in a transaction such as the Arrangement, the right to match and the REIT Termination Fee may discourage other parties from making a Superior Proposal, even if they would otherwise have been willing to acquire the REIT on more favourable terms than the Arrangement. See "*Summary of the Arrangement Agreement — Termination Payments*". A REIT Termination Fee could also become payable by the REIT in circumstances in which it does not have a party willing to pay such amount on behalf of the REIT (for instance, if there is no alternative transaction available). In such circumstance, the REIT may not otherwise have funds available to satisfy such payment, in which case the REIT would be in default of this obligation, which could result in a material adverse effect on the REIT’s business, financial condition and results of operations.

Even if the Arrangement Agreement is Terminated Without Payment of a REIT Termination Fee, the REIT may, in the Future, be Required to Pay a Termination Fee in Certain Circumstances

Under the Arrangement Agreement, the REIT may be required to pay a REIT Termination Fee to the Purchaser at a date subsequent to the termination of the Arrangement Agreement if the Arrangement Agreement is terminated by the REIT or the Purchaser for failure to obtain the requisite Voting Unitholder Approval or for occurrence of the Outside Date, if: (i) prior to such termination, a *bona fide* Acquisition Proposal is made or publicly announced, or any Person publicly announces an intention to make an Acquisition Proposal other than the Purchaser (or any Affiliate of the Purchaser); and (ii) within nine (9) months of such termination, the REIT enters into a definitive agreement in respect of such Acquisition Proposal which is subsequently completed (provided that, for the purpose of clause (ii), references to "20%" in the definition of "Acquisition Proposal" being deemed to be references to "50%"). See "*Summary of the Arrangement Agreement — Termination Payments*".

The Pending Arrangement may Divert the Attention of the REIT’s Management

The pending Arrangement could cause the attention of the REIT’s management to be diverted from the day-to-day operations. Such diversions could be exacerbated by a delay in the completion of the Arrangement and could result in lost opportunities or negative impacts on performance, which could have

a material and adverse effect on the business, operating results or prospects of the REIT regardless of whether the Arrangement is ultimately completed.

Uncertainty Surrounding the Arrangement Could Adversely Affect the REIT's Retention of Tenants and Suppliers

The Arrangement is dependent upon satisfaction of various conditions, and as a result, its completion is subject to uncertainty. In response to this uncertainty, the REIT's tenants and suppliers may delay or defer decisions concerning the REIT. Any change, delay or deferral of those decisions by tenants and suppliers could negatively impact the REIT's business, operations and prospects, regardless of whether the Arrangement is ultimately completed.

Risks Related to Tax Matters

Although management of the REIT is of the view that all expenses to be claimed by the REIT will be reasonable and deductible, there can be no assurance that the CRA will agree. If the CRA successfully challenges the REIT in such respect, this may affect the Canadian federal income tax considerations described herein.

The Arrangement will generally be a taxable transaction for Canadian federal income tax purposes (and may also be a taxable transaction under other applicable tax Laws) and, as a result, Unitholders may be required to pay taxes on any income or capital gains that result from the receipt of the amount paid pursuant to the Special Distribution or the Per Unit Consideration.

Management of the REIT currently anticipates that the amount of its Taxable Income that will be paid or made payable by the REIT to Unitholders pursuant to the Special Distribution will be in the range of $0.10 to $0.29 in respect of each Unit. Such range is estimated based upon Taxable Income of the REIT through September 30, 2024 (including asset sales in the Limited Partnership that closed through September 30, 2024) and estimated Taxable Income of the REIT from: (i) operations of the Limited Partnership between September 30, 2024 and the anticipated closing date; (ii) asset sales that closed since September 30, 2024; and (iii) asset sales that are expected to close before the anticipated Closing as a result of due diligence conditions now being satisfied or waived. It does not include any estimate for additional asset sales in the Limited Partnership, including asset sales which are currently under contract and for which due diligence conditions have not been satisfied or waived. If the asset sale subject to due diligence condition closes prior to the Closing of the Arrangement, Taxable Income paid or payable by the REIT to the Unitholders pursuant to the Special Distribution is estimated to be in the range of $0.37 to $0.63 in respect of each Unit. However, the amount of the Special Distribution may be more than this estimate and may be affected by a number of factors, including, but not limited to, the timing of the Arrangement, the timing of distributions from the Limited Partnership (deemed or otherwise) from the Limited Partnership (such as resulting from asset sales (and the timing thereof) and income generating activities), the characterization of any gain (or loss) realized by the REIT or any of its Subsidiaries on a disposition of property or assets as either a capital gain (or capital loss) or ordinary income (or ordinary loss) and certain tax attributes of the REIT and its Subsidiaries. See "*Certain Canadian Federal Income Tax Considerations*" and "*Other Tax Considerations*".

The actual consideration to be received by Unitholders in connection with the Arrangement depends, in part, on whether there are any Pre-Arrangement Distributions made by the REIT, or any applicable taxes required to be withheld. The actual consideration to be distributed to Unitholders could be materially different from the expected amounts disclosed in this Circular.

In the event that the Arrangement is not completed during the year ended December 31, 2024 or at all, the Taxable Income of the REIT for its December 31, 2024 taxation year and any subsequent taxation periods will still be allocated to the Unitholders and the amount of such allocations will depend upon a number of factors, including, without limitation, the amounts paid or payable, or deemed to be paid or payable, by the REIT to the Unitholders in such taxation years, the timing of distributions from the Limited Partnership as a result of the disposition of property or assets or otherwise, the characterization of any gain (or loss) realized by the REIT or any of its Subsidiaries on a disposition of property or assets as either a capital gain (or

capital loss) or ordinary income (or ordinary loss) from income generating activities and certain tax attributes of the REIT and its Subsidiaries.

Risks Related to Securities Class Actions, Derivative Lawsuits and Other Legal Claims

The REIT and the Purchaser may be the target of securities class actions and derivative lawsuits which could result in substantial costs and may delay or prevent the Arrangement from being completed. Securities class action lawsuits and derivative lawsuits may be brought against companies that have entered into an agreement to acquire a public company or to be acquired. Third parties may also attempt to bring claims against the REIT or the Purchaser seeking to restrain the Arrangement or seeking monetary compensation or other remedies. Even if the lawsuits are without merit, defending against these claims can result in substantial costs and divert management time and resources. Additionally, if a plaintiff is successful in obtaining an injunction prohibiting consummation of the Arrangement, then that injunction may delay or prevent the Arrangement from being completed.

Negative Publicity

Public attitudes towards the Arrangement could result in negative press coverage and other adverse public statements affecting the REIT. Adverse press coverage and other adverse statements could lead to investigations by regulators, legislators and law enforcement officials or in legal claims, or otherwise negatively impact the ability of the REIT to take advantage of various business and market opportunities. The direct and indirect effects of negative publicity, and the demands of responding to and addressing it, may have a material adverse effect on the REIT's business, financial condition and results of operations.

Fees, Costs and Expenses of the Arrangement Not Recoverable

The REIT expects to incur a number of non-recurring transaction-related costs associated with the Arrangement which will be incurred whether or not the Arrangement is completed. If the Arrangement is not completed, the REIT will not receive any reimbursement from the Purchaser for any of the fees, costs and expenses it has incurred in connection with the Arrangement, other than the expenses of the Independent Committee's financial advisor in connection with preparation of the Ventum Fairness Opinion and Formal Valuation in accordance with the terms of the Arrangement Agreement. Such other fees, costs and expenses include, without limitation, legal fees, financial advisor fees, depositary fees, proxy solicitation fees, and printing and mailing costs, which will be payable whether or not the Arrangement is completed and are substantial and could have an adverse effect on the REIT's future results of operations, cash flows and financial condition.

Trustees and Senior Officers of the REIT may have Interests in the Arrangement that are Different from those of Voting Unitholders

In considering the recommendation of the REIT Board (with the Cross Trustee abstaining) to vote FOR the Arrangement Resolution, Voting Unitholders should be aware that certain Trustees and officers of the REIT have interests in connection with the Arrangement that differ from, or are in addition to, those of Voting Unitholders generally as a result of the Cross Trustees, being Mr. Andrew Melton, Ms. Stefura and Mr. Young, in addition to being trustees and/or officers of the REIT, directors and/or officers of the Purchaser. See "*The Arrangement — Interest of Certain Persons in Matters to be Acted Upon*" and "*The Arrangement — Canadian Securities Law Matters*".

The REIT Board established an Independent Committee comprised of independent Trustees to evaluate the Arrangement and advise the full REIT Board on whether the Arrangement is in the best interests of the REIT and its stakeholders, and is fair to Unitholders. The unanimous recommendation of the REIT Board (with the Cross Trustees abstaining) was based, in part, on the unanimous recommendation of the Independent Committee that the Arrangement is fair, from a financial point of view, to the Unitholders. Nevertheless, Voting Unitholders should consider these interests in connection with their vote on the Arrangement Resolution.

Risks if the Arrangement is not Completed

Risks of Non-Completion of the Arrangement on the Business of the REIT

There are risks to the REIT of the Arrangement not being completed, including the costs to the REIT incurred in pursuing the Arrangement, the consequences and opportunity costs of the suspension of strategic pursuits of the REIT in accordance with the terms of the Arrangement Agreement and the risks associated with the temporary diversion of management's attention away from the conduct of the REIT 's business in the ordinary course. If the Arrangement is not completed for any reason, there are risks that the announcement of the Arrangement and the dedication of substantial resources of the REIT to the completion thereof could have a negative impact on the REIT's current business relationships and could have a material adverse effect on the current and future operations, financial condition, results of operations, and prospects of the REIT. If the Arrangement is not completed and the REIT Board decides to seek an alternative transaction, there can be no assurance that it will be able to find a party willing to pay consideration for the Units that is equivalent to, or more attractive than, the Per Unit Consideration to be received by the Unitholders pursuant to the Arrangement. Certain costs related to the Arrangement, such as legal costs, and certain financial advisor fees, must be paid by the REIT even if the Arrangement is not completed. Failure to complete the Arrangement or a change in the terms of the Arrangement could each have a material adverse effect on the REIT's business, financial condition and results of operations.

Without limiting the generality of the foregoing, if the Arrangement is not completed, absent an alternative strategic or financing transaction completed in the short term (which at present is uncertain given that the REIT already completed a strategic review process and go-shop process and evaluated the options available to it), the REIT will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects, such as those described under the heading "*The Arrangement – Background to the Arrangement*" and elsewhere in these Risk Factors. Such an alternative strategic or financing transaction may not be available, or may not be available on terms acceptable to the REIT, which could have a material adverse effect on the REIT's on-going operations.

Failure to Complete the Arrangement Could Negatively Impact the Unit Price

If the Arrangement is not completed, the market price of the Units may be materially adversely affected to the extent that the current market price reflects a market assumption that the Arrangement will be completed.

Ability to Draw on the Backstop Loan Agreement

To hedge against the risk that the Arrangement is not completed prior to the maturity date of the Debentures, being December 31, 2024, the REIT negotiated the Backstop Loan Agreement, which permits the REIT, through the Limited Partnership, as borrower, to borrow the Debenture Repayment Amount from the Purchaser. The requirement of the Purchaser to make the Advance under the Backstop Loan Agreement to fund the Debenture Repayment Amount is subject to the satisfaction of certain conditions precedent, some of which are outside of the control of the REIT, including, without limitation, that no Event of Default has occurred and is continuing and ATB, in its capacity as administrative agent under the Senior Credit Agreement, shall have provided its written consent to the Backstop Loan Agreement and the making of the Advance to the Limited Partnership. There is no guarantee that the consent of ATB will be obtained. In the event that the REIT, through the Limited Partnership, is not entitled to draw on the Advance, the REIT will have limited prospects of repaying the Debentures on the maturity date thereof. Furthermore, if the REIT is unable to repay the Debentures in full on the maturity date, an event of default may occur in respect of the Senior Credit Agreement and all amounts owing thereunder may become due and payable. There can be no assurance that additional capital or other types of financing will be available to repay the amounts outstanding under the Senior Credit Agreement or that, if available, the terms of such financing will be favourable. If the REIT is unable to repay the Debentures or an event of default occurs in respect of the Senior Credit Agreement, it could have a material adverse effect on the REIT's business, cash flows, financial condition and operations. See also "*Risk Factors - Risk of Default under the Senior Credit Agreement*".

Risk of Default under the Senior Credit Agreement

The Senior Credit Agreement includes a covenant of the Limited Partnership to, on or before November 30, 2024, deliver to ATB, in its capacity as administrative agent, evidence satisfactory to it and the lenders under the Senior Credit Agreement that, among other things, the Debentures have been redeemed, or the Limited Partnership has secured the committed funds required to satisfy its obligations under the Debentures by the maturity date thereof. Under the Arrangement, the Purchaser will advance the funds required to redeem the Debentures. If the Arrangement is not completed prior to November 30, 2024, ATB, in its capacity as administrative agent, will need to confirm that it is satisfied that, through the Backstop Loan Agreement, committed funds required to satisfy its obligations under the Debentures by the maturity date thereof have been secured. See "*Summary of the Backstop Loan Agreement*". In the event that ATB does not confirm that the Backstop Loan Agreement satisfied the covenant in the Senior Loan Agreement, it may constitute an event of default under the Senior Credit Agreement. An event of default under the Senior Credit Agreement could result in events of default under other indebtedness and could have a material adverse effect on the REIT's business, cash flows, financial conditions and operations. There can be no assurance that additional capital or other types of financing will be available to repay the amounts outstanding under the Senior Credit Agreement or that, if available, the terms of such financing will be favourable.

Ability to Access Public and Private Capital

The REIT's business requires additional and ongoing financing. There can be no assurance that the additional capital or other types of financing will be available or that, if available, the terms of such financing will be favourable to the REIT or its Subsidiaries or Affiliates. If the Arrangement is not completed, risks may materialize (including, but not limited to, default under the Senior Credit Agreement, inability to repay the Debentures and requirement to fund a REIT Termination Fee) and may materially and adversely affect the REIT's business, financial results and the price of the Units. This could result in the delay or indefinite postponement of the REIT's current business objectives or the REIT ceasing to carry on business. If the REIT is able to raise additional debt financing, payment of the associated interest costs is likely to impose a substantial financial burden on the REIT and may involve restrictions on its financing and operating activities. Debt financing may be convertible into securities of the REIT which may result in immediate or resulting dilution. In either case, additional financing may not be available to the REIT.

Viability, Liquidity and Capital Constraints

Prior to executing the Arrangement Agreement and the Backstop Loan Agreement, the Independent Committee, with the assistance of its legal and financial advisors, conducted a careful review of the REIT's ability to remain a viable publicly traded real estate investment trust and the potential risks and impact on Unitholders related thereto. This analysis was conducted primarily on the current operating environment for office real estate characterized by declining market rents, increasing market vacancies, increasing operating and leasing costs to retain existing tenants or attract new tenants, specifically related to the REIT's office portfolio which comprises approximately 49% of the REIT's gross leasable area. These factors in combination with the REIT's limited existing liquidity profile, maturities of the REIT's Debentures, mortgages and credit facilities, as well as headwinds associated with accessing meaningful additional debt capital funding (apart from funds available to the REIT under the Backstop Loan Agreement) and headwinds associated with the REIT's ability to access the equity capital markets, demonstrated that there are material risks to the REIT's business. In addition, the REIT has had limited success in its efforts to sell properties publicly listed for sale with real estate brokers throughout 2023 and 2024 (particularly with respect to its properties in Saskatchewan), adding to the risks associated with the REIT's ability to remain a viable publicly traded real estate investment trust. Such risks impose significant time and capital impediments to the REIT's ability to sustain Unitholder equity value, further exacerbated by the headwinds in the REIT's current operating environment.

Risks Relating to the REIT

If the Arrangement is not completed, the REIT will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Such risk factors are set forth and described in the REIT's Annual Information Form for the year ended December 31, 2023 and the interim MD&A for the period ended June 30, 2024 which are available under the REIT's issuer profile on SEDAR+ at www.sedarplus.ca.

INFORMATION CONCERNING THE REIT AND THE GP

General Information about the REIT

The REIT (TSX: MR.UN) is an unincorporated, open-ended real estate investment trust governed by the Laws of the Province of Alberta. The REIT is a "mutual fund trust" as defined in the Tax Act. A copy of the Declaration of Trust is available under the REIT's profile on SEDAR+ at www.sedarplus.ca. The REIT is a "reporting issuer" or the equivalent thereof under the applicable securities laws in each of the provinces and territories of Canada. The Units are listed for trading on the TSX under the symbol "MR.UN" and the Debentures are listed for trading on the TSX under the symbol "MR.DB.B". The SVUs are not listed for trading on the TSX.

The REIT is a spin-off of the Purchaser and the two entities have a synergistic relationship via the REIT's right of first offer on certain commercial properties developed by the Purchaser. The REIT is primarily focused on acquisition and improvement of assets in the Canadian real estate industry. The REIT owns, acquires, manages and leases quality retail, office and industrial income-generating properties in western Canadian markets, featuring stable occupancy and a diversified mix of tenants, some of whom have been in place for over 30 years. The REIT is externally managed, administered and operated by the Purchaser pursuant to the Asset Management Agreement and Property Management Agreements.

The Purchaser holds an approximate 55.4% effective interest in the REIT through ownership of all Class B LP Units of the Limited Partnership through an affiliate and a corresponding number of SVUs of the REIT. The Class B LP Units are economically equivalent to, and are exchangeable for Units. The Purchaser is the ultimate controlling party of the REIT.

The REIT competes for suitable real property investments with individuals, corporations, other real estate investment trusts and institutions (both Canadian and foreign) which are presently seeking or which may seek in the future, real property investments similar to those desired by the REIT.

The head office of the REIT is located at 900, 10310 Jasper Avenue NW, Edmonton AB T5J 1Y8.

Units and SVUs

The REIT is authorized to issue an unlimited number of Units and an unlimited number of SVUs. Issued and outstanding SVUs may be subdivided or consolidated from time to time by the Trustees without the approval of the holders thereof. Aside from the Debentures and the Class B LP Units of the Limited Partnership, there are no outstanding securities convertible or exchangeable into Units or SVUs, or otherwise entitling any person to distributions of securities from the REIT. Pursuant to the Declaration of Trust, the Units and SVU have the rights as described below.

Units

As at the Record Date and October 25, 2024, there were 12,963,169 Units outstanding. Units do not have preference or priority over one another. No holder of Units has or is deemed to have any right of ownership of any of the assets of the REIT. Each Unit represents a holder's proportionate undivided beneficial ownership interest in the REIT and confers the right to one vote at any meeting of Voting Unitholders and to participate pro rata in any distributions by the REIT, whether of net income, net realized capital gains of

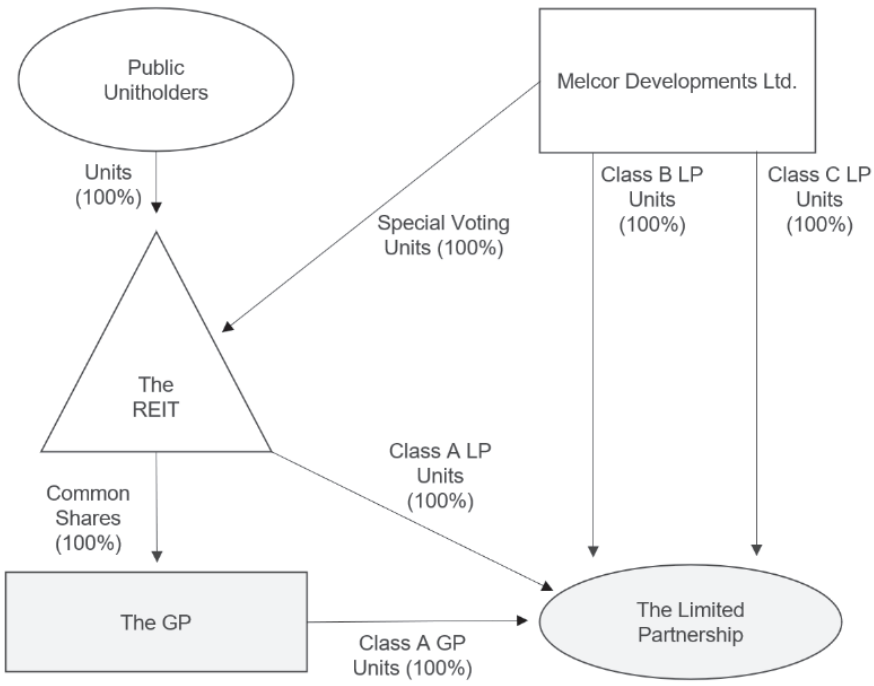
the REIT or other amounts and, in the event of termination or winding-up of the REIT, in the net assets of the REIT remaining after satisfaction of all liabilities. Units are fully paid and nonassessable when issued (unless issued on an installment receipt basis) and are transferable. The Units are redeemable at the holder's option and, except as set out in the Exchange Agreement, the Units have no other conversion, retraction, redemption or preemptive rights. On any consolidation, fractional Units, if any, will not be issued but rather rounded down to the nearest whole Unit.

SVUs

As at the Record Date and October 25, 2024, there were 16,125,147 SVUs outstanding. SVUs have no economic entitlement in the REIT or in the distributions or assets of the REIT but entitle the holder to one vote per SVU at any meeting of the Voting Unitholders. SVUs may only be issued in connection with or in relation to securities exchangeable into Units, including Class B LP Units, for the purpose of providing voting rights with respect to the REIT to the holders of such securities. SVUs are issued in conjunction with the Class B LP Units to which they relate, and are evidenced only by the certificates representing such Class B LP Units. SVUs are not transferable separately from the exchangeable securities to which they are attached and will be automatically transferred upon the transfer of such exchangeable securities. Each SVU entitles the holder thereof to that number of votes at any meeting of Voting Unitholders that is equal to the number of Units that may be obtained upon the exchange of the exchangeable security to which such SVU is attached. Upon the exchange or surrender of a Class B LP Unit for a Unit, the SVU attached to such Class B LP Unit will automatically be redeemed and cancelled for no consideration without any further action of the Trustees, and the former holder of such SVU will cease to have any rights with respect thereto.

Ownership Structure

A diagram of the current ownership structure of the REIT, the GP, and the Limited Partnership is set out below:



Note:

(1) As at the date hereof, the 16,125,147 Class B LP Units (accompanied by an equivalent number of SVUs) represent an approximate 55.4% effective interest in the REIT. Pursuant to the Exchange Agreement, the Class B LP Units are exchangeable on a one-for-one basis into Units.

Prior Sales of Voting Units

During the 12-month period before the date of this Circular, the REIT has not completed any distributions of Units, SVUs, or securities that are convertible into Units or SVUs.

Price Range and Trading Volume of the Units

The Units are listed on the TSX under the symbol "MR.UN". The following table sets forth the high and low reported trading prices and the trading volume of the Units on the TSX for each month of the twelve-month period prior to the date of this Circular:

Period	High ($)	Low ($)	Volume
September 2023	4.91	4.38	141,248
October 2023	4.57	3.97	299,172
November 2023	4.36	3.68	323,223
December 2023	4.27	3.60	428,603
January 2024	5.05	4.05	146,416
February 2024	4.68	2.70	674,386
March 2024	3.25	2.19	1,080,993
April 2024	3.25	2.79	360,996
May 2024	3.05	2.70	370,572
June 2024	2.93	2.66	160,278
July 2024	3.13	2.75	281,137
August 2024	3.07	2.84	225,282
September 2024	4.86	3.39	849,603
Up to October 25, 2024	4.92	4.77	570,655

On September 12, 2024, the last trading day prior to the announcement of the Arrangement, the closing price of the Units on the TSX was $3.39. The aggregate Per Unit Consideration of $4.95 per Unit offered in connection with the Arrangement represents a premium of 46.0% to the closing price of Units on September 12, 2024, the last trading day prior to the announcement, and a 61.3% premium to the prior 30-day volume weighted average price of the Units on the TSX ending September 12, 2024.

Price Range and Trading Volume of the Debentures

The Debentures are listed on the TSX under the symbol "MR.DB.B". The following table sets forth the high and low reported trading prices and the trading volume of the Debentures on the TSX for each month of the 12-month period prior to the date of this Circular:

Period	High ($)	Low ($)	Volume
September 2023	89.51	87.00	172,000
October 2023	90.00	89.00	167,000
November 2023	91.00	89.00	172,000
December 2023	97.77	89.26	212,000
January 2024	98.00	96.00	378,000
February 2024	97.99	92.00	595,000
March 2024	95.10	92.00	1,831,000
April 2024	96.00	95.00	350,500
May 2024	95.80	93.00	777,000
June 2024	96.00	93.00	207,000
July 2024	95.03	94.00	280,000
August 2024	95.00	94.00	86,000
September 2024	99.85	94.98	1,120,000
Up to October 25, 2024	99.75	99.00	925,000

Distribution Policy

In setting distributions, the REIT Board considers relevant factors such as REIT performance and financial condition, earnings, availability of cash and capital requirements. The REIT Board determines the timing and amount of future distributions based on these factors. The REIT's distribution of $0.04 per Unit was maintained from August 2021 to January 2024. On February 22, 2024, the REIT announced the suspension of the distribution alongside the commencement of a strategic review process being undertaken by the Independent Committee.

Management Contracts

The REIT is externally managed, administered and operated by the Purchaser pursuant to the terms of the Asset Management Agreement and the Property Management Agreement. For the financial year ended December 31, 2023, the REIT paid the Purchaser asset and property management fees totaling $5.01 million. From January 1, 2024 to September 30, 2024, the Purchaser invoiced the REIT $3.806 million in asset and property management fees, and $0.322 million of such fees currently remain owing.

The names and provinces of residence of any person that was, during the most recently completed financial year, an informed person (as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Purchaser are as follows: Douglas Goss (Alberta), Andrew Melton (Alberta), Kathleen Melton (Alberta), Timothy Melton (Alberta), Bruce Pennock (Alberta), Janet Riopel (Alberta), Catherine Roozen (Alberta), Ralph Young (Alberta), Naomi Stefura (Alberta), Graeme Melton (Alberta) and Susan Keating (Alberta).

Asset Management Agreement

Services

Pursuant to the Asset Management Agreement, the Purchaser provides asset management services to the REIT, including: (a) advisory, consultation and investment management services and monitoring financial performance, (b) providing the services of members of the Purchaser's senior management team to act as Chief Executive Officer and Chief Financial Officer, and (c) advising the REIT Board on strategic matters, including potential acquisitions, dispositions, financings and development. In providing the asset management services, the Purchaser will exercise the degree of care, diligence, judgment and skill that would be exercised by a professional, prudent and competent person who is experienced in providing substantially similar services.

Asset Management Fee

The Purchaser is entitled to the following fees for the services it provides pursuant to the Asset Management Agreement:

(a) a base annual management fee calculated and payable on a quarterly basis, equal to 0.25% of Gross Book Value of the REIT's investment properties;

(b) a capital expenditures fee equal to 5.0% of all hard construction costs incurred on each capital project with costs in excess of $100,000, with such capital expenditure fee specifically excluding work done on behalf of tenants or any maintenance expenditures;

(c) an acquisition fee equal to (i) 1.0% of that portion of the purchase price paid by the REIT for the purchase of any new property acquired in each fiscal year which is less than or equal to $100,000,000 (ii) 0.75% of that portion of the purchase price paid by the REIT for the purchase of any new property acquired in each fiscal year which is greater than $100,000,000 but less than or equal to $200,000,000, and iii) 0.50% of that portion of the purchase price paid by the REIT for the purchase of any new property acquired in each fiscal year which is greater than $200,000,000. The

Purchaser did not and will not receive an acquisition fee from the REIT in respect of the acquisition of the Initial Properties or any other properties acquired directly or indirectly from the Purchaser or a party affiliated or related to the Purchaser; and

(d) financing fee equal to 0.25% of the debt and equity of all financing transactions completed for the REIT to a maximum of actual expenses incurred by the Purchaser in supplying services relating to financing transactions. The Purchaser did not and will not receive a financing fee in respect of the IPO or any other subsequent financing by the REIT to the Purchaser, including any issuances of securities to the Purchaser.

The fees under the Asset Management Agreement are subject to review by the Purchaser and the Independent Trustees prior to May 1, 2023 and prior to the end of each renewal term thereafter. In the event that the Purchaser and the Independent Trustees are unable to agree on the current market fees to be payable under the Asset Management Agreement for the associated renewal period, such fees shall be determined by binding arbitration. In such event, the fees under the Asset Management Agreement shall continue to be the fees payable thereunder for the expiring period until a final determination has been made pursuant to the binding arbitration.

Expenses

The REIT reimburses the Purchaser for all out-of-pocket costs and expenses incurred by the Purchaser in connection with carrying out its duties and obligations under the Asset Management Agreement. The Purchaser is, however, responsible for its own overhead costs and certain other costs and expenses, including its office rent and costs relating to its employees providing services pursuant to the Asset Management Agreement.

Term of the Asset Management Agreement

The Asset Management Agreement is for a current term of five years (having commenced on May 26, 2022) and is renewable for further five-year terms, unless and until it is terminated in accordance with the provisions thereof. Subject only to the termination provisions, the Purchaser will automatically be rehired at the expiration of each term.

The REIT has the right to terminate the Asset Management Agreement upon:

(a) the occurrence of any of the following event (each a "Melcor AMA Event of Default"): (i) an event of insolvency of the Purchaser; (ii) a material breach by the Purchaser under the Asset Management Agreement, if such material breach is not cured within 30 days after receipt by the Purchaser of written notice from the REIT with respect thereto unless the Purchaser has commenced rectification of such material breach within such 30 day period and thereafter promptly, diligently and continuously proceeds with the rectification of such breach; (iii) fraudulent misconduct of, or misappropriation of funds by, the Purchaser; (iv) an act of gross negligence by the Purchaser; (v) a default by the Purchaser under the Development and Opportunities Agreement, that results in the termination by the REIT of such agreement; (vi) a default by the Purchaser under the Property Management Agreement, that results in the termination by the REIT of such agreement; or (vii) a default by the Purchaser under the Restrictive Covenant Agreement, or

(b) a change of control of the Purchaser, subject to reimbursement of the Purchaser for AMA Employee Severance Costs (defined below).

The REIT may also terminate the Asset Management Agreement on one (1) year’s prior written notice (or payment in lieu thereof) if a majority of the independent Trustees (i) determine that it is in the best interest of the REIT to internalize asset management services; or (ii) are not satisfied with the performance by the Purchaser of its duties under the Asset Management Agreement.

The Purchaser has the right to terminate the Asset Management Agreement upon the occurrence of:

(a) an event of insolvency of the REIT, within the meaning of the Asset Management Agreement;

(b) a material breach by the REIT under the Asset Management Agreement, if such material breach is not cured within 30 days after receipt by the REIT of written notice from the Purchaser with respect thereto unless the REIT has commenced rectification of such material breach within such thirty (30) day period and thereafter promptly, diligently and continuously proceeds with the rectification of such breach, or

(c) a change of control of the REIT.

The Purchaser also has the right to terminate the Asset Management Agreement upon one year's prior notice to the REIT after the later of: (i) the date that the Purchaser owns, directly or indirectly, less than 20% of the Units (calculated on a fully diluted basis); or (ii) May 1, 2023 (a "Melcor Permitted AMA Resignation").

Upon the termination of the Asset Management Agreement, the Purchaser shall be entitled to reimbursement for AMA Employee Severance Costs, which reimbursement will not derogate from or in any way affect or preclude any other rights of the Purchaser for damages or otherwise at law or equity. For purposes of the Asset Management Agreement, "AMA Employee Severance Costs" means any and all severance or termination costs and payments (if any) actually incurred by the Purchaser or its affiliates in respect of employees of the Purchaser or its affiliates arising out of or resulting from the ensuing termination of redundant or surplus employees as a consequence of the termination of the Asset Management Agreement (other than as a result of: (i) a Melcor AMA Event of Default; (ii) a change of control of the REIT; or (iii) a Melcor Permitted AMA Resignation) in respect of the period after the closing of the REIT's IPO that each such employee has worked on REIT matters and based on the proportion of each such employee's services attributable to REIT matters, provided that, notwithstanding the foregoing, in the event that the REIT or an affiliate of the REIT employs any employee of Melcor within 12 months of termination of the Asset Management Agreement for any reason whatsoever, the REIT or such affiliate shall be responsible for any and all severance and termination costs and payments paid or payable by the Purchaser to such employee.

Removal of an Officer of the REIT

If the REIT requests the removal, without cause, of a senior officer of the REIT (including the Chief Executive Officer or Chief Financial Officer of the REIT) whose services were being provided by the Purchaser or its affiliates, the REIT will be responsible for reimbursing the Purchaser for severance and termination costs and payments (if any) actually incurred by the Purchaser or its affiliates for such senior officer in respect of: (i) the period after closing of the IPO that such senior officer has worked on REIT matters; and (ii) the proportion of such senior officer's services attributable to REIT matters.

Change of Control Payment

Upon a change of control of the REIT, other than a change of control caused by the Purchaser, and upon Melcor terminating the Asset Management Agreement within the 12 months following such change of control, the REIT shall pay Melcor an amount equal to the gross fees paid to Melcor over the preceding 12 months, provided that Melcor will not be entitled to any reimbursement for severance costs or payments incurred by it except in respect of any employee of Melcor employed by the REIT or its affiliates within the 12 months following resignation.

Non-Solicitation

Upon termination of the Asset Management Agreement, the REIT will not solicit employees of Melcor for a period of 18 months, provided that the REIT will be entitled to solicit any employee of Melcor for whom the

REIT is responsible to reimburse Melcor for severance or termination costs pursuant to the Asset Management Agreement, other than the Chief Executive Officer and Chief Financial Officer of the REIT or any other employee of Melcor appointed as a senior officer of the REIT. Notwithstanding the foregoing, if Melcor terminates the Asset Management Agreement as a result of an event of default by the REIT, the REIT shall not be entitled to solicit any employee of Melcor for a period of 18 months.

Property Management Agreement

Services

Pursuant to the Property Management Agreement, the Purchaser provides property management services to the REIT, including (a) managing and administering the day-to-day operations of the REIT and its subsidiaries, (b) conducting the day-to-day relations with respect to the REIT's investment properties with third parties, including suppliers, brokers, consultants, advisors, accountants, lawyers, insurers and appraisers, and (c) supervising investment property expansions, capital projects and development projects.

In providing the property management services, the Purchaser will exercise the degree of care, diligence, judgment and skill that would be exercised by a professional, prudent and competent person who is experienced in providing substantially similar services.

Subcontracting

The Purchaser is responsible for performing the property management services through its dedicated management team and employees. In performing such duties, The Purchaser may from time to time retain the services of third parties where it is appropriate to do so provided that the Purchaser will at all times remain responsible for such functions in accordance with the Property Management Agreement. To the extent that the Purchaser performs any of its duties and responsibilities through contractual arrangements with other parties, the Purchaser will remain responsible for such functions in accordance with the Property Management Agreement. Except as specifically described below under the heading "Expenses", to the extent that the Purchaser performs any of the property management services through contractual arrangements with third parties, the Purchaser will bear the related costs and will remain responsible for such functions in accordance with the Property Management Agreement.

Property Management Services Fee

In consideration of providing the property management services, the Purchaser is entitled to the following fees:

(a) a monthly fee, payable in arrears on or about the fifteenth (15th) day of each month, equal to one-twelfth (1/12) of 3.0% of Gross Property Revenue based on the monthly average of the Gross Property Revenue as at the end of the immediately preceding fiscal quarter; and

(b) an upfront market fee payable on a transaction by transaction basis, but only for transactions where a third party leasing agent was not engaged. Such lease fee structure shall represent current market terms in each particular market where leasing services are provided to the REIT.

The objective is to set each leasing fee at no more, and no less, than an industry-standard rate in each particular market. In the event that the Purchaser and the Independent Trustees are unable to agree on a lease fee for a particular transaction in a particular market, such dispute shall be determined by binding arbitration.

Further, all fees under the Property Management Agreement are subject to review by the Purchaser and the Independent Trustees prior to the end of each renewal term. In the event that the Purchaser and the Independent Trustees are unable to agree on the current market fees to be payable under the Property Management Agreement on the applicable anniversary for the associated renewal period, such fees shall

be determined by binding arbitration. In such event, following the applicable anniversary, the fees under the Property Management Agreement shall continue to be the fees payable thereunder for the expiring period until a final determination has been made pursuant to the binding arbitration.

Property management fees are not payable under the Property Management Agreement with respect to Capilano Centre, Chestermere Station and Watergrove as each of these properties is a joint venture subject to an existing property management agreement, with fees ranging between 1.85% - 4.00% of gross revenue.

Expenses

The REIT will reimburse the Purchaser for out-of-pocket costs and expenses incurred by the Purchaser in connection with carrying out its duties and obligations under the Property Management Agreement provided that such costs and expenses are approved as part of the REIT's annual budget processes or are otherwise approved by the REIT. The Purchaser will, however, be responsible for its own overhead costs and certain other costs and expenses, including its office rent and costs relating to its employees providing the property management services other than: (i) employees designated as property managers for a specific property or properties; and (ii) employees who are on-site at a property. The REIT is also responsible for the costs and expenses associated with certain sub-contractors acting as property managers and building operators.

Term of the Property Management Agreement

The Property Management Agreement is for a current term of five years (having commenced on May 26, 2022) and is renewable for further five year terms until terminated in accordance with its provisions. Subject only to the termination provisions, the Purchaser will automatically be rehired at the expiration of each term.

The REIT has the right to terminate the Property Management Agreement upon the occurrence of any of the following:

(a) the occurrence of any of the following event (each a "Melcor PMA Event of Default"): (i) event of insolvency of the Purchaser; (ii) a material breach by the Purchaser under the Property Management Agreement, if such material breach is not cured within 30 days after receipt by the Purchaser of written notice from the REIT with respect thereto unless the Purchaser has commenced rectification of such material breach within such 30 day period and thereafter promptly, diligently and continuously proceeds with the rectification of such breach; (iii) fraudulent misconduct of, or misappropriation of funds by, the Purchaser; (iv) an act of gross negligence by the Purchaser; (v) a default by the Purchaser under the Development and Opportunities Agreement, that results in the termination by the REIT of such agreement; (vi) a default by the Purchaser under the Asset Management Agreement, that results in the termination by the REIT of such agreement; or (vii) a default by the Purchaser under the Restrictive Covenant Agreement; or

(b) a change of control of the Purchaser, subject to reimbursement of the Purchaser for PMA Employee Severance Costs (defined below).

The REIT may also terminate the Property Management Agreement at the end of a term or renewal term if a majority of the Independent Trustees determine that the Purchaser has not been meeting its obligations under the Property Management Agreement, provided that the REIT provides the Purchaser with at least 90 days' prior written notice, or payment in lieu thereof.

Further, upon the REIT achieving a Gross Book Value of $1.15 billion, if a majority of the Independent Trustees determine that it is in the best interest of the REIT to internalize the property management services, then the REIT may terminate the Property Management Agreement, provided that the REIT provides the Purchaser with at least 90 days' prior written notice, or payment in lieu thereof.

Further, the REIT may also terminate the Property Management Agreement on three hundred sixty five (365) days' prior written notice (or payment in lieu thereof) if a majority of the independent Trustees (i) determine that it is in the best interest of the REIT to internalize property management services; or (ii) are not satisfied with the performance by the Purchaser of its duties under the Property Management Agreement.

The Purchaser has the right to terminate the Property Management Agreement upon the occurrence of any of the following:

(a) an event of insolvency of the REIT;

(b) a material breach by the REIT under the Property Management Agreement, if such material breach is not cured within 30 days after receipt by the REIT of written notice from the Purchaser with respect thereto unless the REIT has commenced rectification of such material breach within such 30 day period and thereafter promptly, diligently and continuously proceeds with the rectification of such breach; or

(c) upon a change of control of the REIT.

The Purchaser also has the right to terminate the Property Management Agreement upon one year's prior notice to the REIT after May 1, 2023 (a "Melcor Permitted PMA Resignation").

Upon the termination of the Property Management Agreement, the Purchaser shall be entitled to reimbursement for PMA Employee Severance Costs, which reimbursement will not derogate from or in any way affect or preclude any other rights of the Purchaser for damages or otherwise at law or equity. For purposes of the Property Management Agreement, "PMA Employee Severance Costs" means any and all severance or termination costs and payments (if any) actually incurred by the Purchaser or its affiliates in respect of employees of the Purchaser or its affiliates arising out of or resulting from the ensuing termination of redundant or surplus employees as a consequence of the termination of the Property Management Agreement (other than as a result of: (i) a Melcor PMA Event of Default; (ii) a change of control of the REIT; or (iii) a Melcor Permitted PMA Resignation) in respect of the period after closing of the REIT's IPO that each such employee has worked on REIT matters and based on the proportion of each such employee's services attributable to REIT matters, provided that, notwithstanding the foregoing, in the event that the REIT or an affiliate of the REIT employs any employee of the Purchaser within 12 months of termination of the Property Management Agreement for any reason whatsoever, the REIT or such affiliate shall be responsible for any and all severance and termination costs and payments paid or payable by the Purchaser to such employee.

Change of Control Payment

Upon a change of control of the REIT, other than a change of control caused by the Purchaser, and upon the Purchaser terminating the Property Management Agreement within the 12 months following such change of control, the REIT shall pay the Purchaser an amount equal to the gross fees paid to the Purchaser over the preceding 12 months, provided that the Purchaser will not be entitled to any reimbursement for severance or termination costs or payments in respect of redundant or surplus employees except in respect of any employee of the Purchaser employed by the REIT or its affiliates within the 12 months following resignation, and then only in respect of the period after the closing of the IPO that each such employee has worked on REIT matters and based on the proportion of each such employee's services attributable to REIT matters.

Non-Solicitation

Upon termination of the Property Management Agreement, the REIT will not solicit employees of the Purchaser for a period of 18 months, provided that the REIT will be entitled to solicit any employee of the Purchaser for whom the REIT is responsible to reimburse the Purchaser for severance or termination costs

pursuant to the Property Management Agreement. Notwithstanding the foregoing, if the Purchaser terminates the Property Management Agreement as a result of an event of default by the REIT, the REIT shall not be entitled to solicit any employee of Melcor for a period of 18 months.

General Information about the GP

The GP is the general partner of the Limited Partnership. The GP is a corporation incorporated pursuant to the laws of Alberta that is a wholly owned subsidiary of the REIT. The Limited Partnership is governed by the Limited Partnership Agreement. The head office of the GP is located at 900, 10310 Jasper Avenue NW, Edmonton AB T5J 1Y8 and its registered office is located at 2900, 10180 101st Street, Edmonton AB T5J 3V5.

INFORMATION CONCERNING THE PURCHASER

The Purchaser is a body corporate incorporated pursuant to the ABCA, headquartered in Edmonton, Alberta, with regional offices throughout Alberta and in Kelowna, British Columbia and Phoenix, Arizona. The Purchaser is a diversified real estate development and asset management company that develops and manages mixed-use residential communities, business and industrial parks, office buildings, retail commercial centers and golf courses, in Alberta, Saskatchewan, British Columbia, Arizona and Colorado.

The Purchaser has been focused on real estate since 1923 and has built over 170 communities and commercial projects across Western Canada and today manages over 4.79 million square feet in commercial real estate assets and 455 residential rental units. The Purchaser is committed to building communities that enrich quality of life - communities where people live, work, shop and play.

The Purchaser's headquarters are located in Edmonton, Alberta, with regional offices throughout Alberta and in Kelowna, British Columbia and Phoenix, Arizona. The Purchaser has been a public company since 1968 and trades on the TSX (TSX:MRD).

OTHER BUSINESS

The Trustees are not aware of any matters intended to come before the Meeting other than those items of business set forth in the attached Notice of Special Meeting of Voting Unitholders accompanying this Circular. If any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy to vote in respect of those matters in accordance with their judgment.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, the REIT is not aware of any Trustee, executive officer or any Person who, to the knowledge of the Trustees or officers of the REIT, beneficially owns or controls or exercises discretion over Voting Units carrying more than 10% of the votes attached to the Voting Units, or any associate or affiliate of any of the foregoing, having any material interest, direct or indirect, in any transaction since January 1, 2024 or in any proposed transaction that has materially affected or would materially affect the REIT or any of its subsidiaries. See "*Summary of the Arrangement Agreement*", "*Summary of the Backstop Loan Agreement*" and "*Information Concerning the REIT and the GP – Management Contracts*".

AUDITORS

The auditor of the REIT is PricewaterhouseCoopers LLP located in Edmonton, Alberta. PricewaterhouseCoopers LLP have been the REIT's auditors since the REIT became public on May 1, 2013.

ADDITIONAL INFORMATION

Additional information relating to the REIT is available under the REIT's profile on SEDAR+ at www.sedarplus.ca and on the REIT's website at www.melcorreit.ca, including additional financial information which is provided in the REIT's consolidated comparative financial statements and management's discussion and analysis for its most recently completed financial year and interim period. Voting Unitholders may request copies of the REIT's financial statements and management's discussion and analysis without charge by sending a request in writing to:

Melcor Real Estate Investment Trust
c/o Chief Executive Officer
900, 10310 Jasper Avenue NW
Edmonton, Alberta T5J 1Y8
Email: ir@MelcorREIT.ca

BOARD APPROVAL

The contents and the sending of this Circular to the Voting Unitholders have been approved by the REIT Board.

DATED at Edmonton, Alberta, this 25th day of October, 2024.

BY ORDER OF THE BOARD OF TRUSTEES OF MELCOR REAL ESTATE INVESTMENT TRUST

By: (signed) "*Andrew Melton*"
Name: Andrew Melton
Title: Chief Executive Officer and Trustee

By: (signed) "*Richard Kirby*"
Name: Richard Kirby
Title: Trustee and Chair of the Independent Committee

CONSENT OF BMO NESBITT BURNS INC.

October 25, 2024

To: The Independent Committee of the Board of Trustees of Melcor Real Estate Investment Trust (the "REIT")

We refer to the management information circular (the "**Circular**") of the REIT dated the date hereof relating to the special meeting of unitholders of the REIT to approve an arrangement under the *Business Corporations Act* (Alberta) involving the REIT, Melcor REIT GP Inc. and Melcor Developments Ltd.

We consent to the inclusion in the Circular of our fairness opinion dated September 12, 2024 and references to our firm name and our fairness opinion in the Circular. Our fairness opinion was given as of September 12, 2024 and remains subject to the assumptions, qualifications and limitations contained therein.

In providing such consent, we do not intend that any person other than the Board of Trustees of the REIT and the Independent Committee of the REIT Board of Trustees shall be entitled to rely upon our fairness opinion.

(signed) "*BMO Nesbitt Burns Inc.*"
BMO NESBITT BURNS INC.

CONSENT OF VENTUM FINANCIAL CORP.

October 25, 2024

To: The Independent Committee (the "Independent Committee") of the Board of Trustees of Melcor Real Estate Investment Trust (the "REIT")

We refer to the management information circular (the "**Circular**") of the REIT dated the date hereof relating to the special meeting of unitholders of the REIT to approve an arrangement under the *Business Corporations Act* (Alberta) involving the REIT, Melcor REIT GP Inc. and Melcor Developments Ltd. (the "**Arrangement**"). We refer to the formal valuation and fairness opinion dated September 12, 2024, which we prepared for the Independent Committee for the Arrangement.

We consent to the filing of our formal valuation and fairness opinion with the applicable Canadian securities regulatory authorities and the inclusion of our formal valuation and fairness opinion in the Circular. We further consent to references to our firm name, our fairness opinion and our independent valuation in the Circular. Our fairness opinion and our independent valuation were given as of September 12, 2024 and remain subject to the assumptions, qualifications and limitations contained therein.

In providing such consent, we do not intend that any person other than the Board of Trustees of the REIT and the Independent Committee of the REIT Board of Trustees shall be entitled to rely upon our fairness opinion and our independent valuation.

(signed) "*Ventum Financial Corp.*"
VENTUM FINANCIAL CORP.

SCHEDULE A
GLOSSARY OF TERMS

Unless the context otherwise requires or where otherwise provided, the following words and terms shall have the meanings set forth below when used in this Circular.

"**ABCA**" means the Business Corporations Act, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder.

"**Acquisition Proposal**" means, other than the transactions contemplated by the Arrangement Agreement, any offer, proposal, inquiry or expression of interest (written or oral) from any Person or group of Persons other than the Purchaser (or any Affiliate of the Purchaser or any Person acting jointly or in concert with the Purchaser or any Affiliate of the Purchaser) relating to, in each case whether in a single transaction or a series of related transactions: (i) any sale, disposition or joint venture (or any lease, license or other arrangement having the same economic effect as a sale), direct or indirect, of assets representing 20% or more of the consolidated assets, or contributing 20% or more of the consolidated revenue or gross operating profit, of the REIT on a consolidated basis or of or involving 20% or more of the voting or equity securities (or rights or interests in or convertible or exchangeable into such voting or equity securities) of the REIT or any of its Subsidiaries or Joint Ventures whose assets, individually or in the aggregate, represent 20% or more of the consolidated assets or contribute 20% or more of the consolidated revenue or gross operating profit of the REIT on a consolidated basis, (ii) any take-over bid, exchange offer, treasury issuance or other transaction that, if consummated, would result in such person or group of persons directly or indirectly beneficially owning 20% or more of any class of voting or equity securities (or rights or interests in or convertible or exchangeable into such voting or equity securities) of the REIT or of any of its Subsidiaries or Joint Ventures, whose assets, individually or in the aggregate, represent 20% or more of the consolidated assets or contribute 20% or more of the consolidated revenue or gross operating profit of the REIT on a consolidated basis, (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange or business combination involving the REIT or any of its Subsidiaries or Joint Ventures, or (iv) any other transaction or series of transactions involving the REIT or any of its Subsidiaries or Joint Ventures that would have the same effect as the foregoing (and, for purposes of the foregoing, the consolidated assets, consolidated revenue and gross operating profit shall be determined based upon the most recently publicly available consolidated financial statements of the REIT). Notwithstanding the foregoing and for clarity, any action taken, directly or indirectly, by the Purchaser in any Capacity or its Representatives in respect of the foregoing will not constitute an "**Acquisition Proposal**".

"**Action**" means any litigation, legal action, lawsuit, claim, audit, arbitration or other proceeding (whether civil, quasi-criminal, criminal, regulatory or administrative) by or before any Regulatory Authority.

"**Advance**" has the meaning specified under "*Summary of the Backstop Loan — Terms of the Loan — The Advance*".

"**affiliate**" means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the first-mentioned Person.

"**Affiliate**" means (i) with respect to any Person, any other Person that controls or is controlled by or is under common control with the relevant Person, and (ii) for purposes of the Arrangement Agreement, the REIT and its wholly-owned Subsidiaries shall be deemed not to be "Affiliates" of the Purchaser.

"**allowable capital loss**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations — Taxation of Holders Resident in Canada — Taxation of Capital Gains and Capital Losses*".

"**Arrangement**" means an arrangement under section 193 of the ABCA in accordance with the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement, the Plan of

Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Purchaser and the REIT, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement dated September 12, 2024 by and among the REIT, the GP, and the Purchaser (including the schedules and exhibits thereto), as it may be amended and restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"**Arrangement Resolution**" means the special resolution approving the Plan of Arrangement to be considered at the Meeting, which is attached as Schedule "B" hereto.

"**Arrangement Steps**" has the meaning specified under "*Summary — Plan of Arrangement Steps*".

"**Articles of Arrangement**" means the articles of arrangement of the REIT and the GP in respect of the Arrangement required by the ABCA to be sent to the Registrar after the Final Order has been granted, giving effect to the Arrangement, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the REIT and the Purchaser, each acting reasonably.

"**Asset Management Agreement**" means the amended and restated asset management agreement between the Purchaser and the REIT dated May 26, 2022, pursuant to which the Purchaser provides asset management services to the REIT.

"**Asset Sale**" shall mean the sale, transfer or other disposition (including any casualty or condemnation) by the Limited Partnership (or any Person the Limited Partnership holds securities of) of any real property, asset related to real property or shares, joint venture interests or other securities of any Person holding real property or other assets related to real property.

"**ATB**" means ATB Financial.

"**Backstop Loan Agreement**" means the backstop loan agreement dated September 12, 2024 executed by the Purchaser and the REIT providing for the terms and conditions applicable to the Backstop Loan Facility.

"**Backstop Loan Facility**" means the loan in the principal amount of $46 million to be advanced under the terms of the Backstop Loan Agreement, if and as required, by the Purchaser to the Limited Partnership.

"**BMO Capital Markets**" or "**BMO**" means BMO Nesbitt Burns Inc.

"**BMO Engagement Letter**" has the meaning specified under "*The Arrangement — BMO Fairness Opinion — Engagement of BMO Capital Markets*".

"**BMO Fairness Opinion**" means the fairness opinion dated September 12, 2024 of BMO Capital Markets, attached hereto as Schedule "D".

"**Broadridge**" means Broadridge Financial Solutions, Inc.

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Edmonton, Alberta.

"**Capacity**" means, in respect of the Purchaser, (i) its capacity as manager (or otherwise) pursuant to the Asset Management Agreement and/or the Property Management Agreement (including predecessor agreements thereof), (ii) its capacity as a direct or indirect holder, or Person having control or direction over, voting or equity securities of the REIT; or (iii) its capacity as a direct or indirect holder, or Person having control or direction over, units of the Limited Partnership.

"**Capital Gains Proposals**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations Taxation of Holders Resident in Canada — Taxation of Capital Gains and Capital Losses*".

"**Cash Proceeds**" shall mean, with respect to any Asset Sale, cash, cash equivalents or marketable securities received by or on behalf of the Limited Partnership from such Asset Sale, including any insurance or condemnation or expropriation proceeds and cash proceeds received by way of deferred payment pursuant to a note receivable or otherwise.

"**CDS**" means the Canadian Depository for Securities.

"**Certificate of Arrangement**" means the proof of filing to be issued by the Registrar pursuant to subsection 193(11) of the ABCA in respect of the Articles of Arrangement.

"**Chair of the Meeting**" means Richard Kirby, or such other person as selected by the Independent Committee in accordance with the Declaration of Trust.

"**Change in Recommendation**" has the meaning specified under "*Summary of the Arrangement Agreement —Termination of the Arrangement Agreement —Termination by the Purchaser*".

"**Change of Control**" means the acquisition by any Person, or group of Persons acting jointly or in concert, other than the Purchaser or any Persons acting jointly or in concert with the Purchaser, of voting control or direction over an aggregate of 50% or more of the outstanding trust units of the REIT (on a fully-diluted basis including assuming the conversion or exchange of units of the Limited Partnership which are convertible or exchangeable into trust units of the REIT).

"**CIBC**" means CIBC World Markets Inc..

"**Circular**" means this management information circular dated October 25, 2024 together with all schedules and appendices hereto and documents incorporated herein by reference, distributed by the REIT in connection with the Meeting.

"**Class A LP Unit**" means a Class A voting LP Unit of the Limited Partnership.

"**Class A LP Unit Consideration**" means an amount equal to (i) the Consideration multiplied by the Class A LP Units outstanding immediately prior to the Effective Time, minus (ii) the cash portion of the GP Share Consideration.

"**Class B LP Unit**" means a Class B non-voting LP Unit of the Limited Partnership.

"**Consideration**" means an amount equal to (i) four dollars and ninety-five cents ($4.95) per Outstanding Unit, minus (ii) the Pre-Arrangement Distribution (if any) per Outstanding Unit.

"**Closing**" means the closing of the Arrangement on the Effective Date.

"**Contract**" means any legally binding agreement, contract, license, lease, arrangement, commitment, obligation or understanding (whether written or oral) to which a Person is a party or by which a Person is bound or affected or to which any of their respective properties or assets is subject, but for greater certainty excludes Authorizations (as defined in the Arrangement Agreement).

"**Court**" means the Court of King's Bench of Alberta.

"**CRA**" means the Canada Revenue Agency.

"**Cross Trustees**" means Mr. Andrew Melton, Ms. Naomi Stefura and Mr. Ralph Young, each of whom are trustees of the REIT and also directors and/or executive officers of the Purchaser.

"**Debenture Indenture**" means the trust indenture entered into between the REIT and Valiant Trust Company dated December 3, 2014, as supplemented by a first supplemental indenture between the REIT, Valiant Trust Company and AST Trust Company dated September 25, 2015, as supplemented by a second supplemental indenture between the REIT and AST Trust Company dated December 3, 2017, as supplemented by a third supplemental indenture between the REIT and AST Trust Company dated October 29, 2019, as supplemented by a fourth supplemental indenture between the REIT, the Depositary and TSX Trust Company dated May 10, 2022.

"**Debenture Proceeds Note**" means the promissory note, in the principal amount of $46.0 million issued by the Limited Partnership to the REIT and dated October 29, 2019.

"**Debenture Repayment Amount**" means an amount equal to the aggregate principal amount of Debentures outstanding on the Effective Date, if any, excluding any and all accrued but unpaid interest thereon, payable by the REIT in connection with the redemption in full of the Debentures on the Effective Date in accordance with the terms of the Debenture Indenture.

"**Debenture Take-out Proposal**" means any offer, proposal, inquiry or expression of interest (written or oral) from any Person or group of Persons relating to, whether in a single transaction or a series of related transactions, a loan (whether secured or unsecured), either to the REIT or the Limited Partnership, the proceeds of which will be used to, directly or indirectly, repay in full the Debentures.

"**Debenture Take-out Proposal Notice**" has the meaning specified under "*Summary of the Backstop Loan Agreement — Right to Match*".

"**Debentures**" means the 5.10% convertible unsecured subordinated debentures of the REIT due December 31, 2024 issued pursuant to the Debenture Indenture.

"**Declaration of Trust**" means the Amended and Restated Declaration of Trust of the REIT dated as of May 1, 2013, as further amended from time to time, which is governed by the laws of the Province of Alberta.

"**Depositary**" means Odyssey Trust Company.

"**Depositary Agreement**" has the meaning specified under "*Procedures for the Surrender of Certificates and Payment of Consideration*".

"**Development and Opportunities Agreement**" means the development and opportunities agreement between the REIT and the Purchaser dated May 1, 2013, pursuant to which, among other things, the REIT has a priority right to acquire certain assets, and an opportunity to participate in certain investment opportunities, joint ventures and mezzanine financing on Purchaser projects.

"**Dissent Rights**" has the meaning specified under "*Dissent Rights*".

"**Dissenting Unitholder**" or "**Dissenting Holder**" means a registered holder of Units who has properly exercised its Dissent Rights in accordance with Section 3.1 of the Plan of Arrangement and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and who is ultimately determined to be entitled to be paid the fair value of its Units but only in respect of Units in respect of which Dissent Rights are validly exercised by such registered holder.

"**DLA Piper**" means DLA Piper (Canada) LLP, transaction legal counsel to the Independent Committee of the REIT.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means 12:01 a.m. (Edmonton time) on the Effective Date, or such other time on the Effective Date as the Parties agree to in writing before the Effective Date as further described under "*Summary of the Arrangement Agreement— Effective Date*".

"**Encumbrance**" includes any mortgage, pledge, hypothec, charge, prior claim, security interest, encroachment, option, right of first refusal or first offer, restrictive covenant, assignment, lien (statutory or otherwise), defect of title or encumbrance of any kind.

"**Event of Default**" has the meaning specified under "*Summary of the Backstop Loan Agreement — Events of Default*".

"**Exchange Agreement**" means the exchange agreement dated May 1, 2013 among the REIT, the Limited Partnership and the Purchaser, pursuant to which the Purchaser or the REIT may cause the Class B non-voting LP Units of the Limited Partnership to be exchanged for Units.

"**Excluded Party**" means any Person from whom the REIT or any of its Representatives has received a bona fide written Acquisition Proposal after the date of the Arrangement Agreement and prior to the conclusion of the Go-Shop Period, which written Acquisition Proposal the REIT Board (excluding the Cross Trustees) has determined in good faith prior to the expiry of the Go-Shop Period, constitutes, or could reasonably be expected to constitute or lead to a Superior Proposal; provided, however, that a Person will immediately cease to be an Excluded Party and the provisions of the Arrangement Agreement applicable to Excluded Parties will cease to apply with respect to such Person if (i) such Acquisition Proposal made by such Person prior to the expiry of the Go-Shop Period is withdrawn, or (ii) such Acquisition Proposal, in the good faith determination of the REIT Board (excluding the Cross Trustees), no longer constitutes, or could no longer reasonably be expected to constitute or lead to a Superior Proposal.

"**Existing Subsidiary Financing**" means the existing credit agreements, commitment letters, trust indentures, mortgages and operating line facilities and related security documents of the Subsidiaries of the REIT existing on September 12, 2024.

"**Fairness Opinions**" means the BMO Fairness Opinion and the Ventum Fairness Opinion.

"**Final Order**" means the final order of the Court made pursuant to section 193(4) of the ABCA in a form acceptable to the REIT, the GP and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of the REIT, the GP and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to the REIT, the GP and the Purchaser, each acting reasonably) on appeal.

"**form of proxy**" means the form of proxy accompanying this Circular.

"**Go-Shop Fee**" means an amount equal to $2,900,000.

"**Go-Shop Period**" means the period commencing immediately following the execution of the Arrangement Agreement on September 12, 2024, up to and including 11:59 p.m. (Edmonton time) on October 15, 2024, being the Business Day following the date which is thirty (30) days from September 12, 2024.

"**GP**" means Melcor REIT GP Inc., a corporation existing under the Laws of the Province of Alberta, and any successors thereto.

"**GP Shares**" means all issued and outstanding shares in the share capital of the GP.

"**GP Share Consideration**" means sixteen hundred and twenty-two dollars and one cent ($1,622.01) in the aggregate.

"**Gross Property Revenue**" means, in respect of the Limited Partnership, all revenue received or receivable from the real properties owned directly or indirectly by the Limited Partnership (other than real property in respect of which the Limited Partnership is required to directly, or indirectly, pay property management fees to a third party (including the Purchaser), other than pursuant to the Property Management Agreement), including (i) related proceeds of business or rental interruption insurance, after deduction for insurance deductibles and excluding (ii) lease termination fees, actual bad debts, gains on sales, and the differential between in-place rents and below or above market rents, determined in accordance with the applicable accounting principles of the Limited Partnership at the time of the calculation.

"**Holder**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations*".

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board.

"**Indemnified Person**" has the meaning specified under "*The Arrangement — Interest of Certain Persons in the Arrangement – Indemnification and Insurance*".

"**Independent Committee**" means the independent committee consisting of independent members of the REIT Board formed to consider, among other things, the Arrangement and the other transactions contemplated by the Arrangement Agreement.

"**Independent Trustee**" means a Trustee who, in relation to the REIT, is "independent" within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, as replaced or amended from time to time (including any successor rule or policy thereto).

"**Interested Parties**" and "**Interested Party**" have the meaning specified under "*The Arrangement— Canadian Securities Law Matters —MI 61-101*".

"**Interim Order**" means the interim order of the Court, dated October 24, 2024, concerning the Arrangement containing declarations and directions with respect to the Arrangement and the holding of the Meeting, as such order may be amended or varied by the Court.

"**Interim Period**" has the meaning specified under "*Arrangement Agreement — Conduct of Business by the REIT Pending the Arrangement*".

"**intermediary**" means an intermediary with which a non-registered Unitholder may deal, including banks, trust companies, securities dealers or brokers and trustees or administrators of self-directed trusts governed by RRSPs, RRIFs, RESPs (each as defined in the Tax Act) and similar plans, and their nominees.

"**Investment Canada Act**" means the *Investment Canada Act* (Canada) and including the regulations promulgated thereunder.

"**January Letter**" has the meaning specified under "*The Arrangement — Background to the Arrangement*".

"**Joint Ventures**" means , collectively, the following joint ventures: (i) the joint venture between the Limited Partnership, Urbancrest Developments Ltd., and Chestermere Springs Inc. with respect to Chestermere Station; (ii) the joint venture between the Limited Partnership and Quinco Financial Inc. with respect to Capilano Centre; and (iii) the joint venture between the Limited Partnership and Aurica Holdings Ltd. with respect to Watergrove; and with respect to a particular Joint Venture, includes any Persons holding property of such Joint Venture as bare trustee or nominee.

"**July Letter**" has the meaning specified under "*The Arrangement — Background to the Arrangement*".

"**Law**" means any federal, provincial, state, local or foreign law (including common law), statute, code, directive, ordinance, rule, regulation, order, judgment, writ, stipulation, award, injunction or decree.

"**Laurel Hill**" means Laurel Hill Advisory Group, the strategic unitholder advisor and proxy solicitation agent engaged by the REIT.

"**Letter of Transmittal**" means the letter of transmittal sent to registered Unitholders for use in connection with the Arrangement.

"**Limited Partnership**" means Melcor REIT Limited Partnership, a limited partnership formed pursuant to Alberta's Partnerships Act, RSA 2000, c P-3M.

"**Limited Partnership Agreement**" means the Amended and Restated Limited Partnership Agreement concerning the Limited Partnership among, inter alios, the Purchaser, the REIT and the GP dated May 1, 2013, as further amended from time to time.

"**Loan**" has the meaning specified under "*Summary of the Backstop Loan Agreement — Terms of the Loan — Interest and Maturity*".

"**LRE**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations — Taxation of the REIT with respect to the Arrangement*".

"**Management Covenant**" has the meaning specified under "*Summary of the Arrangement Agreement — Covenants — Covenants of the Purchaser relating to the Agreement*".

"**Management Representation**" has the meaning specified under "*Summary of the Arrangement Agreement — Representations and Warranties*".

"**Matching Amendment**" has the meaning specified under "*Summary of the Backstop Loan Agreement — Right to Match*".

"**Matching Period**" has the meaning specified under "*Summary of the Backstop Loan Agreement — Right to Match*".

"**Material Adverse Effect**" shall have the meaning ascribed thereto in the Arrangement Agreement.

"**Material Contract**" means any Contract that the REIT or any of its Subsidiaries or Joint Ventures is a party: (i) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect; (ii) under which the REIT or any of its Subsidiaries or Joint Ventures has directly or indirectly guaranteed any liabilities or obligations of a third party (other than ordinary course endorsements for collection) in excess of $250,000; (iii) relating to indebtedness for borrowed money in excess of $250,000 whether incurred, assumed, guaranteed or secured by any asset; (iv) providing for the establishment, investment in, organization or formation of any joint ventures or partnerships with any third party; (v) under which the REIT or any of its Subsidiaries and Joint Ventures is obligated to make or expects to receive payments in excess of $250,000 over the remaining term of such Contract; (vi) that limits or restricts the REIT or any of its Subsidiaries and Joint Ventures in any material respect from engaging in any line of business or from carrying on business in any geographic area or that creates an exclusive dealing arrangement or right of first offer or refusal; (vii) that is a collective bargaining agreement; (viii) which were not approved or authorized by the Purchaser, directly or indirectly, in any Capacity, or its Representatives; or (x) which are otherwise material to the REIT and its Subsidiaries and Joint Ventures on a consolidated basis.

"**Meeting**" means the special meeting of Voting Unitholders to be held on November 26, 2024 and any adjournment or postponement thereof.

"**Meeting Materials**" has the meaning specified under "*Voting Information — Who Can Vote — Notice and Access*".

"**MI 61-101**" has the meaning specified under "*The Arrangement — Canadian Securities Law Matters — MI 61-101*".

"**Mini Tender Offer**" has the meaning specified under "*The Arrangement — Background to the Arrangement*".

"**Net Cash Proceeds**" mean with respect to any Asset Sale or property casualty loss, the Cash Proceeds therefrom, net of, without duplication, (i) costs of sale (including payment of the outstanding principal amount of, premium or penalty, if any, and interest on any indebtedness (other than the Loan) required to be repaid under the terms thereof as a result of such Asset Sale), (ii) taxes paid or reasonably estimated to be payable in the year such Asset Sale occurs or in the following year as a result thereof, (iii) appropriate amounts required to be reserved for post-closing adjustments in connection with such Asset Sale, and (iv) deductions for indebtedness secured by any assets forming part of such Asset Sale, provided that such indebtedness is repaid as a result of such Asset Sale.

"**NI 54-101**" means National Instrument 54-101 — *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

"**non-registered Unitholder**" means a Person who holds its or their Units registered in the name of an intermediary (such as a bank, trust company, securities dealer or broker, or director or administrator of a self-administered RRSP, RRIF, RESP, TFSA or similar plan) or a depository (such as CDS) of which the intermediary is a participant.

"**Non-Resident Holder**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations — Taxation of Holders Not Resident in Canada*".

"**Notice of Intention to Appear**" means the form of notice to be filed with the Court and served upon the REIT and the GP by any party wishing to appear at the Application for Final Order in the manner prescribed by paragraph 28 of the Interim Order.

"**Notice of Meeting**" means the notice of the Meeting accompanying this Circular.

"**Ordinary Course**" means, with respect to an action taken by a Person, that such action is, in all material respects, taken in the ordinary course of the normal operations of such Person consistent with past practices.

"**Originating Application**" means an originating application filed by the REIT and the GP with the Court seeking an Interim Order in connection with the Arrangement.

"**Outside Date**" has the meaning specified under "*Summary of the Arrangement Agreement — Termination of the Arrangement Agreement — Termination by either the REIT or the Purchaser*".

"**Outstanding Unit**" means a Unit outstanding immediately following the distribution and consolidation contemplated in Section (c) under the Arrangement Steps.

"**Parties**" means the REIT, the GP, and the Purchaser, as the context requires, and "**Party**" means any one of them, as the context requires.

"**Per Unit Consideration**" means an amount paid in cash equal to $4.95 per Unit, less any Pre-Arrangement Distribution (if any) per Outstanding Unit.

"**Permitted Action**" means any action or step taken by the Purchaser on behalf of the REIT, any of the REIT's Subsidiaries or a Joint Venture in the Purchaser's capacity as property manager pursuant to the Property Management Agreement: (i) which is commercially reasonable, taken in good faith and, where reasonable, with the approval of the REIT Board (excluding the Cross Trustees), in order to preserve the assets and business of the REIT, any of the REIT's Subsidiaries or a Joint Venture; or (ii) at the direction of the REIT Board (excluding the Cross Trustees).

"**Permitted Liens**" means, as of any particular time, any one or more of the following Encumbrances in respect of any Properties or personal property of the REIT or any of the REIT Subsidiaries, as applicable:

(a) any subsisting restrictions, exceptions, reservations, limitations, provisos and conditions (including royalties, reservation of mines, mineral rights and timber rights, access to navigable waters and similar rights) expressed in any original grants from the Crown and any limitations, exceptions, reservations and qualifications to title, in each case, which is statutory;

(b) any registered restrictions or covenants on title to any Property as of the date hereof and any other restrictions or covenants which run with the land and which do not materially impair the current use, operation or marketability of such Property;

(c) any unregistered easements regarding the provision of utilities to any Property which do not materially impair the current use, operation or marketability of such Property;

(d) the exceptions and qualifications contained in Section 61 of the *Land Titles Act* (Alberta) or similar exceptions and qualifications contained in similar legislation in which province such Property is located;

(e) unregistered, statutory or inchoate Encumbrances of contractors, subcontractors, mechanics, workers, suppliers, materialmen, builders, warehousemen, carriers and other similar liens arising in the ordinary course or that relate to obligations that are not due and payable or that are being contested in good faith, a claim for which shall not at the time have been registered against the applicable Property and notice of which in writing shall not at the time been given to the REIT or any of the REIT Subsidiaries;

(f) Encumbrances arising out of any judgment rendered or claim filed against the REIT or any of the REIT Subsidiaries which is being contested by such party in good faith;

(g) unregistered or inchoate Encumbrances for Taxes which are not yet due or payable or that are being contested in good faith;

(h) security given to a public utility or any municipality or governmental or other public authority when required by the operations of any Property in the ordinary course of business; permits, reservations, covenants, servitudes, watercourse, rights of water, rights of access or user licenses, easements, rights-of-way and rights in the nature of easements (including, without in any way limiting the generality of the foregoing, licenses, easements, rights-of-way and rights in the nature of easements for railways, sidewalks, public ways, sewers, drains, gas and oil pipelines, steam and water mains or electric light and power, or telephone and telegraph conduits, poles, wires and cables) in favour of Regulatory Authority or utility company in connection with the development, servicing, use or operation of any Property that do not materially and adversely affect the value or the present use of such Property;

(i) any encroachments, title defects or irregularities which do not in the aggregate materially and adversely affect the value or the present use of the applicable Property;

(j) purchase money security interests and refinancings thereof;

(k) any matters disclosed by a survey (or certificate of location) of any Property provided such matters do not in the aggregate materially and adversely affect the value or the present use of such Property;

(l) registered development agreements, subdivision agreements, site plan control agreements, servicing agreements and other similar agreements with any Regulatory Authority or utility company affecting the development, servicing, use or operation of any Property that do not materially and adversely affect the value or the present use of such Property;

(m) the right reserved to or vested in any Regulatory Authority by any statutory provision;

(n) registered cost sharing, servicing, reciprocal or other similar agreements relating to the use and/or operation of the Property and to obligations;

(o) municipal zoning, land use and building restrictions, by-laws, regulations and ordinances of federal, provincial, municipal or other Regulatory Authority, including municipal by-laws and regulations, airport zoning regulations, restrictive covenants and other land use limitations, by-laws and regulations and other restrictions as to the use of an applicable Property;

(p) the Existing Subsidiary Financing and related security;

(q) security interests under Contracts granted in connection with the leasing or financing of personal property and similar transactions (including renewals of existing leases of personal property) in the ordinary course of business to secure rentals or the unpaid purchase price or lease cost of such personal property provided that any such lease is secured only by the personal property leased therein;

(r) all new leases and renewals, extensions, modifications, restatements and replacements thereof entered into subsequent to the date of this Agreement in compliance with the terms of the Arrangement Agreement and any options or rights in favour of a tenant of a Property or other third party contained therein;

(s) servicing agreements and contracts for services with respect to any Property entered into in the ordinary course of business on arm's length terms and conditions;

(t) restrictions in the original grant from the Crown or unregistered servitudes and other unregistered restrictions affecting the use of any Property;

(u) any registered liens together with any certificate of action registered in respect thereof relating to work done by or for the benefit of a tenant of such Property (a "Tenant Lien") so long as the REIT or any REIT Subsidiary, as applicable, has not assumed responsibility for such Tenant Lien;

(v) any instrument, easement, servitude, covenants, right of way, charge, caveat, lease, agreement or other document, Encumbrance or restriction registered or recorded against title to any Property on or prior to the date hereof; and

(w) unrecorded leasehold interests in respect of leases on the rent roll of the REIT or the REIT Subsidiaries as of the date hereof.

"**Person**" means an individual, general partnership, limited partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator or other legal representative, government (including a regulatory authority), or other entity, whether or not having legal status.

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form of Schedule "B" attached to this Circular, subject to any amendments or variations to such plan made in accordance with the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of both the REIT and Purchaser, each acting reasonably.

"**Pre-Arrangement Distribution**" means a distribution declared by the REIT during the period between the date of the Arrangement Agreement and immediately prior to the Effective Time payable to Unitholders, excluding the Special Distribution and a distribution of the REIT's Taxable Income payable by issuance of Units which are immediately consolidated so that the number of Units following such distribution is no greater than the number of Units prior to such distribution.

"**Property**" or "**Properties**" means the real property, including all buildings, structures and other improvements located thereon, legally or beneficially owned by the REIT or the REIT Subsidiaries.

"**Property Management Agreement**" means the amended and restated agreement between the REIT and the Purchaser dated May 26, 2022, pursuant to which the Purchaser provides property management services to the REIT.

"**Purchaser**" means Melcor Developments Ltd., a corporation existing under the laws of the Province of Alberta.

"**Purchaser Termination Fee**" means an amount equal to $5,800,000.

"**Record Date**" has the meaning specified under "*Voting Information — Who Can Vote — Voting Securities*".

"**Redemption**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations — Status of the REIT and Limited Partnership*".

"**Redemption Date**" means the redemption date set forth in the Redemption Notice, which shall be thirty (30) days from the date of issue (taking into account the appropriate number of days for notice to be deemed to have been given as set forth in the Debenture Indenture).

"**Redemption Notice**" means a redemption notice issued by the REIT to redeem all of the Debentures.

"**Registered Plan**" means a trust governed by a registered retirement savings plan, a registered retirement income fund, a deferred profit sharing plan, a registered education savings plan, a registered disability savings plan, a tax-free savings account or a first home savings account (each as defined in the Tax Act).

"**registered Unitholder**" means a Person who or which is a registered holder of Units.

"**registered Voting Unitholder**" means a Person who or which is a registered holder of Units or SVUs.

"**Registrar**" means the Registrar of Corporations for the Province of Alberta duly appointed pursuant to Section 263 of the ABCA.

"**Regulatory Approval**" means any (i) international, multinational, federal, national, provincial, state, regional, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, office, Crown corporation, commission, board, bureau or agency, domestic or foreign, (ii) subdivision, agent or authority of any of the foregoing, or (iii) quasi-governmental or private body, including any tribunal, commission, stock exchange (including the TSX), regulatory agency or self-regulatory organization having or purporting to have jurisdiction in the relevant circumstances.

"**Regulatory Authority**" means any (i) international, multinational, federal, national, provincial, state, regional, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, office, Crown corporation, commission, board, bureau or agency, domestic or foreign, (ii) subdivision, agent or authority of any of the foregoing, or (iii) quasi-governmental or private body, including any tribunal, commission, stock exchange (including the TSX), regulatory agency or self-regulatory organization having or purporting to have jurisdiction in the relevant circumstances.

"**REIT**" means Melcor Real Estate Investment Trust, an unincorporated, open-ended real estate investment trust governed by the laws of Alberta.

"**REIT Board**" means the board of trustees of the REIT, as the same is constituted from time to time.

"**REIT Board Recommendation**" means the REIT Board's unanimous (with the exception of the Cross Trustees) resolution that: (i) the Arrangement is in the best interest of the REIT, and (ii) it will recommend that Voting Unitholders vote in favour of the Arrangement Resolution.

"**REIT Confidentiality Agreement**" means a market confidentiality, non-disclosure and standstill agreement with the REIT in connection with the consideration of a possible acquisition of the REIT or its business.

"**REIT GP Equity**" has the meaning specified under "*Summary — Plan of Arrangement Steps*".

"**REIT Subsidiary**" means a Subsidiary of the REIT.

"**REIT Termination Fee**" means an amount equal to $5,800,000.

"**Remedial Order**" means any administrative direction, order or sanction issued or imposed by any Regulatory Authority pursuant to any Environmental Laws (as defined in the Arrangement Agreement) requiring any remediation, containment, removal or clean-up of any Hazardous Substances (as defined in the Arrangement Agreement) or requiring that any Release (as defined in the Arrangement Agreement) be reduced, modified or eliminated.

"**Representative**" means, in respect of a Person, any officer, director, trustee, employee, representative (including any financial, legal or other advisor) or agent of such Person.

"**Resident Holder**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations — Taxation of Holders Resident in Canada*".

"**Restrictive Covenant Agreement**" means the restrictive covenant agreement between the REIT and the Purchaser dated May 1, 2013, pursuant to which, among other things, the Purchaser will not, directly or indirectly, without the consent of the Independent Trustees, solicit any specific tenant to vacate any REIT property in favour of a property in which the Purchaser or any of its affiliates has an ownership or operating interest during the occupancy of such tenant at such REIT property.

"**Securities Laws**" means the *Securities Act* (Alberta), regulations and rules thereunder and similar Laws in the other provinces and territories of Canada.

"**SEDAR+**" means the System for Electronic Document Access and Retrieval of the Canadian Securities Administrators.

"**Senior Credit Agreement**" means the amended and restated credit agreement between the Limited Partnership, as borrower, ATB, as administrative agent, lead arranger, syndication agent, sole bookrunner and lender, and Canadian Western Bank, as lender, dated May 27, 2024, as amended by a first amending agreement dated August 29, 2024.

"**SIFT Trust**" means a "specified investment flow-through trust" as defined in subsection 122.1(1) of the Tax Act.

"**Special Distribution**" means a distribution in an amount equal to the REIT's good faith estimate of the Taxable Income, including taxable income to be allocated from the Limited Partnership to the REIT pursuant to the Limited Partnership Agreement for the REIT's taxation year in which the Effective Date occurs, reduced by any deductions under subsection 104(6) of the Tax Act in respect of REIT distributions made prior to the Effective Time.

"**Subsidiary**" means, with respect to a Person, a corporation, partnership, trust, limited liability company, unlimited liability company, joint venture or other person of which either: (a) such Person or any other subsidiary of the Person is a general partner, managing member or functional equivalent; (b) voting power to elect a majority of the board of directors or trustees or others performing a similar function with respect to such organization is held by such Person or by any one or more of such Person's subsidiaries; or (c) more than 50% of the equity interest is controlled, directly or indirectly, by such Person.

"**Superior Proposal**" means any *bona fide* written Acquisition Proposal from a Person or group of Persons acting jointly or in concert (other than the Purchaser and its Affiliates) made after the date of the Arrangement Agreement to acquire, directly or indirectly, (a) all of the voting or equity securities of the REIT and other securities which are convertible or exchangeable for voting or equity securities of the REIT (other than and such securities already beneficially owned by such Person or Persons); or (b) all or substantially all of the assets of the REIT on a consolidated basis (including the Class B LP Units and Class C LP Units, each of the Limited partnership), held by the Purchaser, in each case that:

(a) complies with Law and did not result from or involve a breach of Article 6 of the Arrangement Agreement;

(b) the REIT Board (excluding the Cross Trustees) determines is reasonably capable of being completed without undue delay, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal and the Person or Persons making such proposal and their respective Affiliates;

(c) the REIT Board (excluding the Cross Trustees) determines, in its good faith judgment, after receiving the advice of its outside legal and financial advisors, that, having regard to all terms and conditions of the Acquisition Proposal, such Acquisition Proposal would, if consummated in accordance with its terms and without assuming away the risk of delay or non-completion, result in a transaction which is more favorable from a financial point of view, to the Unitholders in their capacity as such than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to Section 6.5(b) of the Arrangement Agreement); and

(d) is not subject to any financing condition and in respect of which the REIT Board (or any relevant committee thereof) determines, in its good faith judgment, after receiving the advice of its outside counsel and financial advisors, that adequate arrangements have been made to ensure that the required funds will be available to effect payment in full; and

(e) is, as at the date the REIT provides the Superior Proposal Notice (as defined in the Arrangement Agreement) to the Purchaser, not subject to any due diligence condition.

"**Superior Proposal Agreement**" has the meaning specified under "*Summary of the Backstop Loan — Agreement Lender's Conditions Precedent to Advance*".

"**Superior Proposal Notice**" has the meaning specified under "*Summary of the Arrangement Agreement — Go-Shop and Non-Solicitation Covenants — Right to Match*".

"**Supplemental Indenture**" means the third supplemental indenture to the Debenture Indenture between the REIT and AST Trust Company dated October 29, 2019.

"**SVUs**" means a non-participating special voting unit of the REIT issued pursuant to, and having the attributes described in, the Declaration of Trust.

"**Tax**" or "**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Regulatory Authority, whether computed on a separate, consolidated, unitary, combined or other basis, including, without limiting the generality of the foregoing, all income taxes (including any tax on or based upon net income, gross income, revenue, income as specially defined, gains, earnings, profits or selected items of income, earnings or profits) and all capital taxes, gross receipts taxes, environmental taxes, sales taxes, use taxes, ad valorem taxes, gains and capital gains taxes, value added taxes, transfer taxes, franchise taxes, license taxes, withholding taxes, payroll taxes, employment taxes, health taxes, employer health taxes, Canada Pension Plan or Québec Pension Plan premiums, excise, severance, social security, workers' compensation, unemployment insurance or compensation, stamp taxes, occupation taxes, premium taxes, real or personal property taxes, land transfer taxes, windfall profits taxes, wealth taxes, alternative or add-on minimum taxes, goods and services or harmonized sales tax, import taxes, withholding taxes, customs duties, (ii) any interest, penalties, additions to tax or other additional amounts imposed by any Regulatory Authority (domestic or foreign) on or in respect of amounts of the type described in clause (i) above or this clause (ii), (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period, and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

"**Tax Act**" means the *Income Tax Act* (Canada), R.S.C., 1985, c. 1 (5th Supp.) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

"**Tax Proposals**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations*".

"**Tax Return**" includes all returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed in respect of Taxes.

"**Taxable Income**" means income (including net realized capital gains) determined in accordance with the Tax Act (read without reference to subsection 104(6)) of the Tax Act).

"**Taxable Income Distribution**" has the meaning specified under "*Summary of the Arrangement Agreement — Covenants*".

"**TCP Gains Distribution**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations Taxation of Holders Not Resident in Canada — Special Distribution and Consolidation of Units*".

"**third party**" means any Person other than the Purchaser, the REIT or their Affiliates.

"**Transfer Agent**" means Odyssey Trust Company, in its capacity as transfer agent and registrar for the Units and SVUs.

"**Treaty**" has the meaning specified under "*Certain Canadian Federal Income Tax Considerations — Taxation of Holders Not Resident in Canada — Special Distribution*".

"**Trustee**" means, as of any particular time, all of the trustees of the REIT holding office under and in accordance with the Declaration of Trust, in their capacity as trustees thereunder and "**Trustee**" means any one of them.

"**TSX**" means the Toronto Stock Exchange.

"**Unit**" means a participating trust unit of interest in the REIT issued pursuant to the Declaration of Trust and having the attributes described therein.

"**United States**" means the United States of America, its territories and possessions, and the District of Columbia.

"**Unitholders**" means the registered or beneficial holders of the Units.

"**Utilization Request**" has the meaning specified under "*Summary of the Backstop Loan Agreement — Terms of the Loan*".

"**Ventum**" means Ventum Financial Corp.

"**Ventum Engagement Letter**" has the meaning specified under "*The Arrangement — Ventum Formal Valuation and Fairness Opinion - Overview*".

"**Ventum Fairness Opinion**" means the fairness opinion contained in the Ventum Formal Valuation and Fairness Opinion attached hereto as Schedule "E".

"**Ventum Formal Valuation**" means the independent formal valuation contained in the Ventum Formal Valuation and Fairness Opinion attached hereto as Schedule "E".

"**Ventum Formal Valuation and Fairness Opinion**" means the formal valuation and fairness opinion dated September 12, 2024 prepared by Ventum for the Independent Committee, attached hereto as Schedule "E".

"**Voting Confirmations**" has the meaning specified in "*The Arrangement – Reasons for the Recommendation*".

"**Voting Unitholders**" means the holders of Units and holders of SVUs.

"**Voting Unitholder Approval**" has the meaning specified under "*The Arrangement — Required Voting Unitholder Approval*".

"**Voting Units**" means Units and SVUs.

SCHEDULE B
ARRANGEMENT RESOLUTION

SPECIAL RESOLUTION OF THE HOLDERS OF TRUST UNITS AND SPECIAL VOTING UNITS OF MELCOR REAL ESTATE INVESTMENT TRUST (THE "REIT")

BE IT RESOLVED THAT:

(a) The arrangement (the "**Arrangement**") under section 193 of the *Business Corporations Act* (Alberta) (the "**ABCA**") involving the REIT and Melcor REIT GP Inc. (the "**REIT GP**"), as more particularly described and set forth in the management information circular of the REIT (the "**Circular**") dated October 25, 2024 accompanying the notice of this meeting, and as the Arrangement may be amended, modified or supplemented in accordance with the arrangement agreement dated September 12, 2024 between Melcor Developments Ltd. (the "**Purchaser**"), the REIT and the GP (as it may from time to time be amended, modified or supplemented, the "**Arrangement Agreement**"), is hereby authorized, approved and adopted.

(b) The plan of arrangement of the REIT and the GP (as it may be amended, modified or supplemented in accordance with its terms and the terms of the Arrangement Agreement, the "**Plan of Arrangement**"), the full text of which is set out in Schedule C to the Circular (as the Plan of Arrangement may be, or may have been, duly modified or amended), is hereby authorized, approved and adopted.

(c) The Arrangement Agreement and related transactions, the actions of the trustees of the REIT in approving the Arrangement Agreement, the actions of the trustees of the REIT in executing and delivering the Arrangement Agreement and any amendments, modifications or supplements thereto, are hereby ratified and approved.

(d) The REIT is hereby authorized to apply for a final order from the Court of King's Bench of Alberta (the "**Court**") to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended in accordance with the Arrangement Agreement and the Plan of Arrangement).

(e) Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by the holders of trust units and special voting units of the REIT or that the Arrangement has been approved by the Court, the trustees of the REIT are hereby authorized and empowered to, without notice to or approval of the holders of trust units and special voting units of the REIT (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement, or (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

(f) Any one trustee or officer of the REIT is hereby authorized and directed, for and on behalf of the REIT to make an application to the Court for an order approving the Arrangement and to execute under the seal of the REIT or otherwise and deliver or cause to be delivered for filing with the Registrar under the ABCA articles of arrangement and such other documents as may be necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.

(g) Any one trustee or officer of the REIT is hereby authorized and directed, empowered and instructed for and on behalf of the REIT, to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be

necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.

SCHEDULE C
PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT UNDER SECTION 193
OF THE BUSINESS CORPORATIONS ACT (ALBERTA)

ARTICLE 1
INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder.

"**Arrangement**" means an arrangement under section 193 of the ABCA in accordance with the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of this Arrangement Agreement, this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Purchaser and the REIT, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement between the Purchaser, the GP and the REIT dated September 12, 2024, including the schedules thereto, as amended, supplemented or otherwise modified from time to time in accordance with its terms.

"**Arrangement Resolution**" means the special resolution of the Unitholders and Special Voting Unitholders approving the Plan of Arrangement to be considered at the Meeting, substantially in the form of Schedule B attached to the Arrangement Agreement.

"**Articles of Arrangement**" means the articles of arrangement of the GP in respect of the Arrangement required by the ABCA to be sent to the Registrar after the Final Order has been granted, giving effect to the Arrangement, which shall include this Plan of Arrangement and otherwise be in a form and content satisfactory to the REIT and the Purchaser, each acting reasonably.

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Edmonton, Alberta.

"**Certificate of Arrangement**" means the proof of filing to be issued by the Registrar pursuant to Subsection 193(11) of the ABCA in respect of the Articles of Arrangement.

"**Circular**" means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to Unitholders and Special Voting Unitholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement and the Interim Order (once issued).

"**Class A LP Unit**" means a Class A voting LP Unit of the Limited Partnership.

"**Class A LP Unit Consideration**" means an amount equal to (i) the Consideration multiplied by the Class A LP Units outstanding immediately prior to the Effective Time, minus (ii) the cash portion of the GP Share Consideration.

"**Consideration**" means an amount equal to (i) four dollars and ninety-five cents ($4.95) per Outstanding Unit, minus (ii) the Pre-Arrangement Distribution (if any) per Outstanding Unit.

"**Constating Documents**" means articles of incorporation, amalgamation, or continuation, as applicable, by-laws, limited partnership agreement, declaration of trust or other constating documents and all amendments thereto.

"**Court**" means the Court of King's Bench of Alberta.

"**Debenture Indenture**" means the trust indenture entered into between the REIT and Valiant Trust Company dated December 3, 2014, as supplemented by a first supplemental indenture between the REIT, Valiant Trust Company and AST Trust Company dated September 25, 2015, as supplemented by a second supplemental indenture between the REIT and AST Trust Company dated December 3, 2017, as supplemented by a third supplemental indenture between the REIT and AST Trust Company dated October 29, 2019, as supplemented by a fourth supplemental indenture between the REIT, the Depositary and TSX Trust Company dated May 10, 2022.

"**Debenture Proceeds Note**" means the promissory note, in the principal amount of $46.0 million issued by the Limited Partnership to the REIT and dated October 29, 2019.

"**Debenture Repayment Amount**" means an amount equal to the aggregate principal amount of Debentures outstanding on the Effective Date, if any, excluding any and all accrued but unpaid interest thereon, payable by the REIT in connection with the redemption in full of the Debentures on the Effective Date in accordance with the terms of the Debenture Indenture.

"**Debentures**" means the 5.10% convertible unsecured subordinated debentures of the REIT due December 31, 2024 issued pursuant to the Debenture Indenture.

"**Declaration of Trust**" means the Amended and Restated Declaration of Trust of the REIT dated as of May 1, 2013, as further amended from time to time, which is governed by the laws of the Province of Alberta.

"**Depositary**" means Odyssey Trust Company, in its capacity as depositary for the Arrangement, or such other Person as the REIT and the Purchaser agree to engage as depositary for the Arrangement.

"**Dissent Rights**" has the meaning specified in Section 3.1 of this Plan of Arrangement.

"**Dissenting Holder**" means a registered holder of Units who has properly exercised its Dissent Rights in accordance with Section 3.1 of this Plan of Arrangement and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and who is ultimately determined to be entitled to be paid the fair value of its Units but only in respect of Units in respect of which Dissent Rights are validly exercised by such registered holder.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means 12:01 a.m. (Edmonton time) on the Effective Date, or such other time on the Effective Date as the Parties agree to in writing before the Effective Date.

"**Encumbrance**" includes any mortgage, pledge, hypothec, charge, prior claim, security interest, encroachment, option, right of first refusal or first offer, restrictive covenant, assignment, lien (statutory or otherwise), defect of title or encumbrance of any kind.

"**Exchange Agreement**" means the exchange agreement dated May 1, 2013 among the REIT, the Limited Partnership and the Purchaser, pursuant to which the Purchaser or the REIT may cause the Class B non-voting LP Units of the Limited Partnership to be exchanged for Units.

"**Final Order**" means the final order of the Court approving the Arrangement under section 193(4) of the ABCA in a form acceptable to the REIT and the Purchaser, each acting reasonably, as such order may be amended, supplemented or varied by the Court (with the consent of both the REIT and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the REIT and the Purchaser, each acting reasonably) on appeal.

"**GP**" means Melcor REIT GP Inc.

"**GP Shares**" means all issued and outstanding shares in the share capital of the GP.

"**GP Share Consideration**" means sixteen hundred and twenty-two dollars and one cent ($1,622.01) in the aggregate.

"**Interim Order**" means the interim order of the Court in a form acceptable to the REIT and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended, modified, supplemented or varied by the Court (with the consent of the REIT and the Purchaser, each acting reasonably).

"**Law**" means any applicable laws, including federal, national, multinational, provincial, state, municipal, regional and local laws (statutory, common or otherwise), constitutions, treaties, conventions, by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, certificates, ordinances, judgments, injunctions, determinations, awards, decrees, legally binding codes or other requirements, whether domestic or foreign, and the terms and conditions of any applicable grant of approval, permission, authority or license or other similar requirement of any Regulatory Authority.

"**Letter of Transmittal**" means the letter of transmittal, if so required by the Depositary, to be sent by the REIT to Unitholders in connection with the Arrangement.

"**Limited Partnership**" means Melcor REIT Limited Partnership.

"**Limited Partnership Agreement**" means the Amended and Restated Limited Partnership Agreement concerning the Limited Partnership among, *inter alios*, the Purchaser, the REIT and the GP dated May 1, 2013, as further amended from time to time.

"**Meeting**" means the special meeting of Unitholders and Special Voting Unitholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider and, if thought fit, approving (i) the Arrangement Resolution, (ii) all other matters requiring approval pursuant to the terms and conditions of the Arrangement Agreement or the Interim Order, and (iii) any other matter set out in the Circular and agreed to in writing by the REIT and the Purchaser in accordance with the Arrangement Agreement.

"**Outstanding Unit**" means a Unit outstanding immediately following the distribution and consolidation contemplated in Section 2.3(c).

"**Parties**" means the REIT, the GP and the Purchaser.

"**Person**" means an individual, general partnership, limited partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator or other legal representative, government (including a Regulatory Authority), or other entity, whether or not having legal status.

"**Plan of Arrangement**" means this Plan of Arrangement proposed under section 193 of the ABCA, and any amendments or variations made in accordance with Section 8.1 of the Arrangement Agreement or

Section 6.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the REIT, the GP and the Purchaser, each acting reasonably.

"**Pre-Arrangement Distribution**" means a distribution declared by the REIT during the period between the date of the Arrangement Agreement and immediately prior to the Effective Time payable to Unitholders, excluding the Special Distribution and a distribution of the REIT's Taxable Income payable by issuance of Units which are immediately consolidated so that the number of Units following such distribution is no greater than the number of Units prior to such distribution.

"**Purchaser**" means Melcor Developments Ltd.

"**Registrar**" means the Registrar of Corporations for the Province of Alberta duly appointed pursuant to Section 263 of the ABCA.

"**Regulatory Authority**" means any (i) international, multinational, federal, national, provincial, state, regional, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, office, Crown corporation, commission, board, bureau or agency, domestic or foreign, (ii) subdivision, agent or authority of any of the foregoing, or (iii) quasi-governmental or private body, including any tribunal, commission, stock exchange (including the TSX), regulatory agency or self-regulatory organization having or purporting to have jurisdiction in the relevant circumstances.

"**REIT**" means Melcor Real Estate Investment Trust.

"**Released Parties**" means the REIT, the Special Committee, the GP, the Limited Partnership, the Purchaser and their respective present and former directors, officers, trustees, employees, auditors, financial advisors, legal counsel and agents.

"**Special Committee**" means the independent committee consisting of independent members of the Board formed to consider, among other things, the Arrangement and the other transactions contemplated by the Arrangement Agreement.

"**Special Distribution**" means a distribution in an amount equal to the REIT's good faith estimate of the Taxable Income, including taxable income to be allocated from the Limited Partnership to the REIT pursuant to the Limited Partnership Agreement for the REIT's taxation year in which the Effective Date occurs, reduced by any deductions under subsection 104(6) of the Tax Act in respect of REIT distributions made prior to the Effective Time.

"**Special Voting Unit**" means a non-participating special voting unit of the REIT issued pursuant to, and having the attributes described in, the Declaration of Trust.

"**Special Voting Unitholders**" means the holders of the Special Voting Units.

"**Tax Act**" means the Income Tax Act (Canada), R.S.C., 1985, c. 1 (5th Supp.) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

"**Taxable Income**" means income (including net realized capital gains) determined in accordance with the Tax Act (read without reference to subsection 104(6)) of the Tax Act).

"**TSX**" means the Toronto Stock Exchange.

"**Unit**" means a participating trust unit of interest in the REIT issued pursuant to the Declaration of Trust and having the attributes described therein.

"**Unitholders**" means the registered or beneficial holders of the Units.

1.2 Certain Rules of Interpretation

In this Plan of Arrangement, unless otherwise specified:

(a) **Headings, etc**. The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement.

(b) **Currency**. All references to dollars or to $ are references to Canadian dollars.

(c) **Gender and Number**. Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

(d) **Certain Phrases, etc.** Wherever the word "including," "includes" or "include" is used in this Plan of Arrangement, it shall be deemed to be followed by the words "without limitation". The word "or" shall be disjunctive but not exclusive. The phrase "the aggregate of," "the total of," "the sum of" or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of." Unless the context otherwise requires, references herein to a Person in a particular capacity or capacities shall exclude such Person in any other capacity.

(e) **Statutes**. Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(f) **Computation of Time**. A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

(g) **Time References**. References to time are to local time, Edmonton, Alberta. Time shall be of the essence in every matter or action contemplated hereunder.

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement will become effective at, and be binding at and after, the times referred to in Section 2.3 of this Plan of Arrangement on: (a) the REIT, (b) the GP; (c) the Purchaser, (d) all Unitholders (including Dissenting Holders), (e) the Depositary, and (f) all other Persons, in each case without any further act or formality required on the part of any Person.

2.3 Arrangement

Commencing at the Effective Time each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five-minute intervals starting at the Effective Time:

(a) The Constating Documents of each of the REIT, the GP and the Limited Partnership shall be amended to the extent necessary to facilitate the Arrangement and the implementation of the steps and transactions contemplated herein. Without limiting the generality of the foregoing, such amendments shall include, among other things, the amendments to permit payment of the Special Distribution as provided in this Plan of Arrangement, the creation of redemption rights under the Declaration of Trust permitting the REIT to redeem the Units as provided in this Plan of Arrangement, and the Declaration of Trust shall be deemed amended to include the following provision:

(i) "Notwithstanding any other provision of this Declaration of Trust, where tax is required to be withheld from a Unitholder's share of a distribution payable by the issuance of additional Units which are immediately consolidated, unless otherwise determined by the Trustees, the consolidation will result in such Unitholder holding that number of Units equal to (i) the number of Units held by such Unitholder prior to the distribution plus the number of Units received by such Unitholder in connection with the distribution (net of the number of whole and part Units withheld on account of withholding taxes) multiplied by (ii) the fraction obtained by dividing the aggregate number of Units outstanding prior to the distribution by the aggregate number of Units that would be outstanding following the distribution and before the consolidation if no Units were withheld. If required by the REIT or its transfer agent, such Unitholder shall surrender the Unit certificates, if any, representing such Unitholder's original Units in exchange for a Unit certificate representing such Unitholder's post-consolidation Units or direct such other evidence, including a book entry, of its Units be amended to reflect such Unitholder's post-consolidation Units."

(b) The Limited Partnership Agreement shall be deemed amended to reflect that Income for Tax Purposes (as such term is defined in the Limited Partnership Agreement) of the Limited Partnership attributable to the period beginning at the start of its current fiscal year and ending on the Effective Time shall be allocated to the holders of partnership units immediately prior to the Effective Time, such that the REIT will be allocated its proportionate share of such income notwithstanding that the REIT will not be a limited partner of the Limited Partnership at the end of such fiscal year;

(c) The REIT shall be deemed to have distributed the Special Distribution to Unitholders (including Dissenting Holders) of record immediately before the Effective Time in the form of additional Units having a fair market value equal to the amount of the Special Distribution. Such Units are deemed to have been issued and delivered to such Unitholders. Immediately following such distribution of Units, all the Units shall be deemed to have been consolidated so that each Unitholder will hold after the consolidation the same number of Units as the Unitholder held before the Special Distribution, subject to Section 2.3(a)(i). Subject to Section 2.3(a)(i), each Unit certificate or book entry (or other non-certificated evidence of ownership) representing the number of Units prior to the distribution of additional Units is deemed to represent the same number of Units after the non-cash distribution of additional Units and the consolidation;

(d) The Limited Partnership shall be deemed to borrow from the Purchaser an amount equal to the Debenture Repayment Amount and the Limited Partnership shall be deemed to have directed payment of such loan amount to the REIT in final satisfaction of amounts owing pursuant to the Debenture Proceeds Note. Payment of an amount equal to the Debenture Repayment Amount by the Purchaser to the Depositary, as trustee under the Debenture Indenture, to be held pending further direction from the REIT, shall constitute the advance of the loan from the Purchaser to the Limited Partnership and repayment of the Debenture Proceeds Note in full.

(e) Each GP Share outstanding immediately prior to the Effective Time shall be deemed to have been transferred, without any further act or formality by or on behalf of the REIT or the GP, to the Purchaser in consideration for the GP Share Consideration, and:

(i) the REIT shall cease to be the holder of such GP Shares and to have any rights as holder of such GP Shares other than the right to be paid the GP Share Consideration by the Purchaser in accordance with this Plan of Arrangement;

(ii) the REIT's name shall be removed from the register of the GP Shares maintained by or on behalf of the GP; and

(iii) the Purchaser shall be deemed to be the transferee of such GP Shares (free and clear of all Encumbrances), and shall be entered in the register of the GP Shares maintained by or on behalf of the GP;

The GP Share Consideration will be paid by assumption by the Purchaser of one cent ($0.01) owing by the REIT to the GP and payment in cash of sixteen hundred twenty two dollars and one cent ($1,622.01) to the Depositary to be held for further direction by the REIT.

(f) Each Class A LP Unit outstanding immediately prior to the Effective Time shall be deemed to have been transferred, without any further act or formality by or on behalf of the REIT or the GP, to the Purchaser in consideration for the Class A LP Unit Consideration, and:

(i) the REIT shall cease to be the holder of such Class A LP Units and to have any rights as holder of such Class A LP Units other than the right to be paid the Class A LP Unit Consideration by the Purchaser in accordance with this Plan of Arrangement;

(ii) the REIT's name shall be removed from the register of the Class A LP Units maintained by or on behalf of the Limited Partnership; and

(iii) the Purchaser shall be deemed to be the transferee of such Class A LP Units (free and clear of all Encumbrances), and shall be entered in the register of Class A LP Units maintained by or on behalf of the Limited Partnership;

The Class A LP Unit Consideration will be paid in cash to the Depositary to be held for further direction by the REIT.

(g) Each of the Outstanding Units held by Dissenting Holders in respect of which Dissent Rights have been validly exercised shall be deemed to have been redeemed, without any further act or formality by or on behalf of the Dissenting Holders, by the REIT in consideration for a claim against the REIT for the amount determined under Article 3 of this Plan of Arrangement, and:

(i) such Dissenting Holders shall cease to be the registered holders of such Units and to have any rights as holders of such Units other than the right to be paid fair value by the Purchaser for such Units as set out in Article 3 of this Plan of Arrangement;

(ii) such Dissenting Holders' names shall be removed as the holders of such Units from the register of Units maintained by or on behalf of the REIT; and

(iii) the REIT shall be deemed to be the transferee of such Units (free and clear of all Encumbrances) and such Units shall thereupon be cancelled.

(h) Each Outstanding Unit, other than Units held by a Dissenting Holder in respect of which Dissent Rights have been validly exercised, shall be deemed to have been redeemed by the REIT, without any further act or formality by or on behalf of the Unitholder, in consideration for the Consideration, and:

(i) the holders of such Units shall cease to be the holders of such Units and to have any rights as holders of such Units other than the right to be paid the Consideration by the Purchaser in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Units maintained by or on behalf of the REIT; and

(iii) the REIT shall be deemed to be the transferee of such Units (free and clear of all Encumbrances), and such Units shall thereupon be cancelled.

The Consideration will be paid using funds held by the Depositary for further direction by the REIT representing the cash portion of the GP Share Consideration and the Class A LP Unit Consideration paid by the Purchaser.

(i) The Depositary shall be deemed to have been directed to pay the following amounts utilizing the GP Share Consideration and LP Unit Consideration held by the Depositary in accordance with Section 4.1:

(i) to the REIT, an amount equal to the Consideration that would have been received by the Dissenting Holders if they had not exercised their Dissent Rights;

(ii) to each Unitholder, an amount equal to the Consideration multiplied by the number of Units redeemed by the REIT pursuant to subsection 2.3(h), other than Units held by a Dissenting Holder in respect of which Dissent Rights have been validly exercised; and

(iii) to the REIT or such other Person(s) responsible for remitting any withholding taxes required to withheld in connection with this Plan of Arrangement an amount equal to such withholding taxes.

(j) The Special Voting Units shall be deemed converted into Units of the REIT on a one-for-one basis and the Exchange Agreement shall be deemed terminated.

(k) The releases in Article 5 shall become effective.

ARTICLE 3
RIGHTS OF DISSENT

3.1 Rights of Dissent

A registered holder of Units may exercise rights of dissent ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in the Interim Order, as modified by this Article 3 and the Final Order, provided that notwithstanding any provisions of the Declaration of Trust, the written objection to the Arrangement Resolution must be received by the REIT no later than 5:00p.m. two Business Days immediately preceding the date of Meeting (as it may be adjourned or postponed from time to time). The Units held by the Dissenting Holders who duly and validly exercise their Dissent Rights shall be redeemed by the REIT as provided in Section 2.3(g) and if they are:

(a) ultimately entitled to be paid fair value for such Units, a Dissenting Holder shall: (i) in respect of such Units be treated as not having participated in the transactions in Section

2.3 (other than Section 2.3(c) and Section 2.3(g)), (ii) be entitled to be paid, subject to Section 4.3, the fair value of such Units by the REIT, which fair value shall be determined as of the close of business on the day before the Arrangement Resolution was adopted at the Meeting, and (iii) not be entitled to any other payment or consideration, including that would be payable under the Arrangement had such Dissenting Holders not exercised their Dissent Rights in respect of such Units; or

(b) ultimately not entitled, for any reason, to be paid such fair value for such Units, shall be deemed to have participated in the Arrangement with respect to such Units, as of the Effective Time, on the same basis as a non-Dissenting Holder to which Section 2.3 of this Plan of Arrangement applies.

If a Unitholder exercises Dissent Rights with respect to Units which are, pursuant to Section 2.3(a)(i), consolidated into a lesser number of Units, the Dissent Rights shall be deemed for all purposes of this Plan of Arrangement exercised with respect to such lesser number of Units.

3.2 Recognition of Dissenting Holders

In no circumstances shall the Purchaser, the REIT, the GP or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Units in respect of which such rights are sought to be exercised. For greater certainty, in no case shall the Purchaser, the REIT, the GP or any other Person be required to recognize a Dissenting Holder as a holder of Units in respect of which Dissent Rights have been validly exercised after the completion of the transfers in the steps in Section 2.3(g) and the names of such Dissenting Holder shall be removed from the registers of holders of the Units in respect of which Dissent Rights have been validly exercised at the same time as the event in Section 2.3(g) occurs. In addition to any other restrictions in the Declaration of Trust as applicable under the Interim Order, none of the following shall be entitled to exercise Dissent Rights: (i) any Person who has voted, or has instructed a proxyholder to vote, in favour of the Arrangement (but only in respect of such Units) and (ii) Special Voting Unitholders.

ARTICLE 4
CERTIFICATES AND PAYMENTS

4.1 Payment and Delivery of Consideration

(a) Prior to the sending by the GP of the Articles of Arrangement to the Registrar, the Purchaser shall deposit, or arrange to be deposited, in accordance with the terms and conditions of the Arrangement Agreement for the benefit of the REIT, cash equal to the sum of: (i) the Class A LP Unit Consideration; (ii) cash portion of the GP Share Consideration; and (iii) the Debenture Repayment Amount, if any.

(b) Following the deposit of such amount with the Depositary:

(i) the Purchaser will be fully and completely discharged from its obligation to pay the Class A LP Unit Consideration and the cash portion of GP Share Consideration to the REIT;

(ii) the REIT will be fully and completely discharged from its obligation to pay the Unitholders (other than in respect of the right of Dissenting Holders to be paid fair value as herein provided for the Units in respect of which Dissent Rights have been validly exercised), and the rights of such holders will be limited to receiving, from the Depositary, the Consideration to which they are entitled in accordance with this Plan of Arrangement; and

(iii) the Purchaser shall be deemed to have advanced a loan to the Limited Partnership in an amount equal to the Debenture Repayment Amount; and

(iv) the Limited Partnership shall be deemed to have repaid the Debenture Proceeds Note to the REIT in full.

(c) Promptly following the Effective Time, the Depositary shall pay to the REIT, an amount equal to the Consideration that would have been received by the Dissenting Holders if they had not exercised their Dissent Rights.

(d) Promptly following the Effective Time, the Depositary shall pay to the REIT or such other Person(s) responsible for remitting withholding taxes required to withheld in connection with this Plan of Arrangement an amount equal to such withholding taxes.

(e) The funds held by the Depositary representing the Debenture Repayment Amount shall be held and disbursed by the Depositary in accordance with the Debenture Indenture (including any applicable redemption notice) or as otherwise directed by the REIT.

(f) Upon surrender to the Depositary for cancellation of a certificate, or other direction to the Depositary for cancellation of a book entry or other evidence of ownership of Units, which immediately prior to the Effective Time represented Outstanding Units that were transferred pursuant to Section 2.3, together with a duly completed and executed Letter of Transmittal, if required by the Depositary, and such additional documents and instruments as the Depositary may reasonably require, the Unitholder(s) represented by such surrendered certificate, book entry or other non-certificated evidence of ownership shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, as soon as practicable, a cheque (or other form of immediately available funds) representing the cash which such holder has the right to receive under this Plan of Arrangement for such Units, less any amounts withheld pursuant to Section 4.3 of this Plan of Arrangement, and any certificate, book entry or other non-certificated evidence of ownership representing Units so surrendered shall forthwith be cancelled.

(g) After the Effective Time and until surrendered for cancellation as contemplated by this Section 4.1, each certificate or book entry (or other non-certificated evidence of ownership) that immediately prior to the Effective Time represented Units (other than Units in respect of which Dissent Rights have been validly exercised and not withdrawn), shall be deemed after the Effective Time to represent only the right to receive upon such surrender a cash payment in lieu of such certificate or book entry (or other non-certificated evidence of ownership) as contemplated in this Section 4.1, less any amounts withheld pursuant to Section 4.3 of this Plan of Arrangement. Any such certificate or book entry (or other non-certificated evidence of ownership) formerly representing Units not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former Unitholder of any kind or nature against or in the REIT or the Purchaser. On such date, all cash to which such former Unitholder was entitled shall be deemed to have been surrendered to the REIT and shall be paid over by the Depositary to the REIT or as directed by the REIT.

(h) Any payment made by way of cheque by the Depositary or the REIT, as applicable, pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable Consideration pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the REIT for no consideration.

(i) No holder of Units shall be entitled to receive any consideration with respect to such Units other than the Special Distribution pursuant to Section 2.3(c) and any cash payment to which such holder is entitled to receive in accordance with this Section 4.1 and, for greater certainty, no such holder will be entitled to receive any interest, distributions, premium or other payment in connection therewith, other than any declared but unpaid distributions with a record date prior to or on the Effective Date, the Special Distribution pursuant to Section 2.3(c) or distributions on the Units (other than Units in respect of which Dissent Rights have been validly exercised and not withdrawn) forming part of the Consideration.

4.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Units that were transferred pursuant to Section 2.3 of this Plan of Arrangement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Consideration that such Unitholder has the right to receive in accordance with Section 2.3 of this Plan of Arrangement and such Unitholder's Letter of Transmittal. When authorizing such exchange for any lost, stolen or destroyed certificate, the Person to whom such Consideration is to be delivered shall, as a condition precedent to the delivery of such Consideration, give a bond satisfactory to the Purchaser and the Depositary (each acting reasonably) in such sum as the Purchaser may direct (acting reasonably), or otherwise indemnify the Purchaser, the REIT and the Depositary in a manner satisfactory to the each of them (acting reasonably) against any claim that may be made against the Purchaser and the Purchaser, the or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Withholding Rights

Each of the Purchaser, the REIT, the GP, the Depositary and any other Person that makes a payment shall be entitled to deduct and withhold, or direct any other Person to deduct and withhold on their behalf, from the amount payable to any Person under this Plan of Arrangement such amount as the Purchaser, the REIT, the GP, the Depositary or such other Person deems, each acting reasonably, is required to be deducted or withheld pursuant to the Tax Act or any provision of any Law in connection with any step under this Plan of Arrangement and remit such deducted and withheld amount to the appropriate Regulatory Authority. For greater certainty, if an amount is required to be withheld in connection with the Special Distribution, the Purchaser, the REIT, the GP, the Depositary or any other applicable Person shall be permitted to either withhold such amount from the cash consideration payable to such Unitholder under this Plan of Arrangement or withhold and dispose Units through consolidation pursuant to Section 2.3(c). To the extent that any amount is so properly deducted, withheld and remitted, such amount shall be treated for all purposes of this Plan of Arrangement as having been paid to the relevant recipient, provided that such amounts are actually remitted to the appropriate Regulatory Authority.

4.4 Encumbrances

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Encumbrances or other claims of third parties of any kind.

4.5 Paramountcy

From and after the Effective Time (a) this Plan of Arrangement shall take precedence and priority over any and all of the securities of the REIT issued or outstanding prior to the Effective Time, excluding the Debentures, (b) the rights and obligations of the registered and beneficial securityholders (excluding the holders of the Debentures), the REIT, the GP, the Purchaser, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any securities of the REIT, excluding the Debentures, are deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ARTICLE 5
RELEASES

5.1 Releases

At the Effective Time and in accordance with the sequence of steps set out in Section 2.3, each of the Released Parties will be released and discharged from any and all demands, claims, liabilities, indemnities, indebtedness, obligations, causes of action, debts, accounts, covenants, damages, executions and other recoveries based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place including those arising by contract, at common law, by statute or otherwise howsoever, on or prior to and including the Effective Time, of any of the Unitholders, relating to, arising out of, or in connection with, the REIT, the GP or the Limited Partnership, including control thereof, the business or assets directly or indirectly owned by the REIT, the GP or the Limited partnership, any securities of the REIT, this Plan of Arrangement and any proceedings commenced with respect to or in connection with this Plan of Arrangement; provided that: (i) nothing in this paragraph will release or discharge any of the Released Parties from or in respect of its obligations under or any other terms of this Plan of Arrangement, any documents executed in connection herewith or the Final Order (including, any consideration payable hereunder or thereunder); (ii) nothing herein will release or discharge a Released Party to the extent such Released Party has admitted to having committed, or is determined by a court of competent jurisdiction to have committed, gross negligence, fraud or wilful misconduct; (iii) nothing herein will release or discharge a Released Party with respect to claims that any director, trustee, officer, employee, former director, former trustee, former officer or former employee of any Released Party may have relating to indemnification or under an indemnification or employment agreement, organizational documents of the applicable Released Party or otherwise; and (iv) the auditors, financial advisors and legal counsel of the REIT, the GP, the Limited Partnership and the Purchaser shall be released and discharged only with respect to matters relating to, arising out of, or in connection with, this Plan of Arrangement, including the transactions contemplated hereby, and any proceedings commenced with respect to or in connection with this Plan of Arrangement.

ARTICLE 6
AMENDMENTS

6.1 Amendments to Plan of Arrangement

(a) The REIT, the GP and the Purchaser may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must be (i) set out in writing, (ii) approved by the Purchaser, the REIT and the GP (subject to the Arrangement Agreement), each acting reasonably, (iii) filed with the Court and, if made following the Meeting, approved by the Court, and (iv) communicated to the Unitholders if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the REIT, the GP or the Purchaser at any time prior to the Meeting (provided that the Purchaser, the REIT or the GP (subject to the Arrangement Agreement), as applicable, shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if (i) it is consented to in writing by each of the REIT, the GP and the Purchaser (each, acting reasonably), and (ii) if required by the Court, it is consented to by some or all of the Unitholders voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the granting of the Final Order without filing such amendment, modification or supplement with the Court or seeking Court approval, provided that (i) it concerns a matter which, in the reasonable opinion of the Parties, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the interest of any Unitholder, or (ii) is an amendment contemplated in Section 6.1 of this Plan of Arrangement.

(e) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former Unitholder.

(f) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

ARTICLE 7
FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order further to document or evidence any of the transactions or events set out in this Plan of Arrangement.

SCHEDULE D
BMO FAIRNESS OPINION

See attached.

September 12, 2024

The Independent Committee of the Board of Trustees and Board of Trustees
Melcor Real Estate Investment Trust
10310 Jasper Avenue NW, Suite 900
Edmonton, Alberta T5J 1Y8

To the Independent Committee of the Board of Trustees and Board of Trustees:

BMO Nesbitt Burns Inc. ("BMO Capital Markets" or "we" or "us") understands that Melcor Real Estate Investment Trust (the "REIT") and Melcor Developments Ltd. (the "Acquiror") have proposed to enter into an arrangement agreement dated September 12, 2024 (the "Arrangement Agreement") pursuant to which, among other things, (i) the Acquiror will acquire from the REIT all of the Class A LP Units of Melcor REIT Limited Partnership ("Class A LP Units"), being all of the limited partner interests in such partnership not already owned by the Acquiror and its affiliates, as well as all of the outstanding shares of the general partner of the limited partnership, for aggregate cash consideration equal to $4.95 in cash per Class A LP Unit (the "Limited Partnership Sale") and (ii) the REIT will use the cash proceeds from the Limited Partnership Sale to redeem and cancel all of the REIT's outstanding participating trust units ("Units") for a price equal to $4.95 in cash per Unit (the "Consideration"), all by way of an arrangement under the *Business Corporations Act* (Alberta) (the "Arrangement"). The terms and conditions of the Arrangement will be summarized in the REIT's management proxy circular (the "Circular") to be mailed to holders of Units ("Unitholders") and holders of special voting units of the REIT (together with the Unitholders, the "Voting Unitholders") in connection with a special meeting of Voting Unitholders to be held to consider and, if deemed advisable, approve the Arrangement.

We have been retained by the Independent Committee of the Board of Trustees of the REIT (the "Independent Committee") to provide financial advisory and investment banking services for the REIT, including our opinion (the "Opinion") to the Independent Committee and the Board of Trustees of the REIT (the "Board of Trustees") as to the fairness, from a financial point of view, of the Consideration to be received by the Unitholders pursuant to the Arrangement.

Engagement of BMO Capital Markets

The REIT initially contacted BMO Capital Markets regarding a potential advisory assignment in January 2024. BMO Capital Markets was formally engaged by the REIT to act as an advisor to the Independent Committee pursuant to an agreement dated January 17, 2024 (the "Original Engagement Agreement"), which was then superseded in its entirety by an agreement dated March 26, 2024 (the "Engagement Agreement"). Under the terms of the Engagement Agreement, BMO Capital Markets has agreed to provide the Independent Committee with various advisory services in connection with the Arrangement including, among other things, the provision of the Opinion.

BMO Capital Markets will receive a fixed fee for rendering the Opinion, no part of which is contingent on the conclusion of the Opinion or the successful completion of the Arrangement. We will also receive certain fees for our advisory services under the Engagement Agreement, a substantial portion of which is contingent upon the successful completion of the Arrangement. The REIT has also agreed to reimburse us for our reasonable out-of-pocket expenses and to indemnify us against certain liabilities that might arise out of our engagement.

Credentials of BMO Capital Markets

BMO Capital Markets is one of North America's largest investment banking firms, with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment research and investment management. BMO Capital Markets has been a financial advisor in a significant number of transactions throughout North America involving public and private companies in various industry sectors and has extensive experience in preparing fairness opinions.

The Opinion represents the opinion of BMO Capital Markets, the form and content of which have been approved for release by a committee of our officers who are collectively experienced in merger and acquisition, divestiture, restructuring, valuation, fairness opinion and capital markets matters.

Independence of BMO Capital Markets

Neither BMO Capital Markets, nor any of our affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario) or the rules made thereunder) of the REIT, the Acquiror, or any of their respective associates or affiliates (collectively, the "Interested Parties").

BMO Capital Markets has not been engaged to provide any financial advisory services nor has it participated in any financings involving the Interested Parties within the past two years, other than acting as financial advisor to the Independent Committee pursuant to the Original Engagement Agreement, as superseded by the Engagement Agreement.

There are no understandings, agreements or commitments between BMO Capital Markets and any of the Interested Parties with respect to future business dealings. BMO Capital Markets may, in the future, in the ordinary course of business, provide financial advisory, investment banking, or other financial services to one or more of the Interested Parties from time to time.

BMO Capital Markets and certain of our affiliates act as traders and dealers, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of one or more of the Interested Parties and, from time to time, may have executed or may execute transactions on behalf of one or more Interested Parties for which BMO Capital Markets or such affiliates received or may receive compensation. As investment dealers, BMO Capital Markets and certain of our affiliates conduct research on securities and may, in the ordinary course of business, provide research reports and investment advice to clients on investment matters, including with respect to one or more of the Interested Parties or the Arrangement. In addition, Bank of Montreal ("BMO"), of which BMO Capital Markets is a wholly-owned subsidiary, or one or more affiliates of BMO, may provide banking or other financial services to one or more of the Interested Parties in the ordinary course of business.

Scope of Review

In connection with rendering the Opinion, we have reviewed and relied upon, or carried out, among other things, the following:

1. a draft of the Arrangement Agreement dated September 12, 2024, and the draft schedules thereto, including the plan of arrangement;

2. a draft of the backstop loan agreement (the "Loan Agreement") dated September 12, 2024, provided to the REIT by the Acquiror in connection with the Arrangement;

3. certain publicly available information relating to the business, operations, financial condition and trading history of the REIT and other selected public companies we considered relevant;

4. certain internal financial, operating, corporate and other information prepared or provided by or on behalf of the REIT relating to the business, operations and financial condition of the REIT;

5. internal management forecasts, projections, estimates and budgets prepared or provided by or on behalf of management of the REIT;

6. third-party property appraisals, valuations, and technical reports provided by or on behalf of management of the REIT;

7. discussions with management of the REIT relating to the REIT's current business, plan, financial condition and prospects;

8. public information with respect to selected precedent transactions we considered relevant;

9. certain publicly available information regarding the operating environment for real estate in Canada including market rent and market occupancy reports published by industry sources;

10. various reports published by equity research analysts, and industry sources we considered relevant;

11. a letter of representation as to certain factual matters and the completeness and accuracy of certain information upon which the Opinion is based, addressed to us and dated as of the date hereof, provided by senior officers of the REIT;

12. a draft of the transaction announcement press release;

13. discussions with the Independent Committee and its legal counsel, DLA Piper (Canada) LLP; and

14. such other information, investigations, analyses and discussions as we considered necessary or appropriate in the circumstances.

BMO Capital Markets has not, to the best of its knowledge, been denied access by the REIT to any information under the REIT's control requested by BMO Capital Markets.

Assumptions and Limitations

We have relied upon and assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions, representations and other material obtained by us

from public sources or provided to us by or on behalf of the REIT or otherwise obtained by us in connection with our engagement. The Opinion is conditional upon such completeness, accuracy and fair presentation. We have not been requested to, and have not assumed any obligation to, independently verify the completeness, accuracy or fair presentation of any such information. We have assumed that forecasts, projections, estimates and budgets provided to us and used in our analyses were reasonably prepared on bases reflecting the best currently available assumptions, estimates and judgments of management of the REIT, having regard to the REIT's business, plans, financial condition and prospects. In addition, BMO Capital Markets has assumed that the financial forecasts, projections and estimates referred to above will be achieved at the times and in the amounts projected.

Senior officers of the REIT have represented to BMO Capital Markets in a letter of representation delivered as of the date hereof, among other things, that: (i) the financial and other information, data, advice, opinions, representations and other material (the "Information") provided to BMO Capital Markets orally by, or in the presence of, an officer or employee of, the REIT, or in writing by the REIT or any of its subsidiaries (as defined in National Instrument 45-106 *Prospectus and Registration Exemptions*) or any of its or their representatives in connection with our engagement (excluding any forecasts, projections, estimates, budgets or other forward-looking information) was, at the date the Information was provided to BMO Capital Markets (or such other date as specified in such Information), complete, true and correct in all material respects, and did not contain a misrepresentation (as defined in the *Securities Act* (Ontario)); and (ii) since the dates on which the Information was provided to BMO Capital Markets, except as disclosed to BMO Capital Markets, there has been no material change (as defined in the *Securities Act* (Ontario)), financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the REIT or any of its subsidiaries, and no change has occurred in the Information or any part thereof which would have or which could reasonably be expected to have a material effect on the Opinion that has not been disclosed in writing to BMO Capital Markets.

In preparing the Opinion, we have assumed that (i) the executed Arrangement Agreement and related schedules, and Loan Agreement will not differ in any material respect from the drafts that we reviewed, (ii) the Arrangement will be consummated in accordance with the terms and conditions of the Arrangement Agreement without waiver of, or amendment to, any term or condition that is in any way material to our analyses, (iii) the representations and warranties in the Arrangement Agreement are true and correct as of the date hereof, and (iv) any governmental, regulatory or other consents and approvals necessary for the consummation of the Arrangement will be obtained without any material adverse effect on the contemplated benefits expected to be derived from the Arrangement.

The Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as of the date hereof and the condition and prospects, financial and otherwise, of the REIT as they are reflected in the Information and as they have been represented to BMO Capital Markets in discussions with management of the REIT and its representatives. In our analyses and in preparing the Opinion, BMO Capital Markets made numerous judgments and assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond our control or that of any party involved in the Arrangement.

The Opinion is provided to the Independent Committee and the Board of Trustees for their exclusive use only in considering the Arrangement and may not be used or relied upon by any other person or for any other purpose without our prior written consent. The Opinion does not constitute a recommendation as to how any Unitholder or any other person should vote or act on any matter relating to the Arrangement. Except for the inclusion of the Opinion in its entirety and a summary thereof (in a form acceptable to us, acting reasonably) in the Circular, and the filing and distribution thereof, the Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent.

We have not been asked to prepare and have not prepared a formal valuation or appraisal of the securities or assets of the REIT or of any of its affiliates, and the Opinion should not be construed as such. The Opinion is not, and should not be construed as, advice as to the price at which the securities of the REIT may trade at any time. BMO Capital Markets was not engaged to review any legal, tax or regulatory aspects of the Arrangement and the Opinion does not address any such matters. We have relied upon, without independent verification, the assessment by the REIT and its legal and tax advisors, where applicable, with respect to such matters. In addition, the Opinion does not address the relative merits of the Arrangement as compared to any strategic alternatives that may be available to the REIT.

The Opinion is rendered as of the date hereof and BMO Capital Markets disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to the attention of BMO Capital Markets after the date hereof. Without limiting the foregoing, if we learn that any of the information we relied upon in preparing the Opinion was inaccurate, incomplete or misleading in any material respect, BMO Capital Markets reserves the right to change or withdraw the Opinion.

Conclusion

Based upon and subject to the foregoing, BMO Capital Markets is of the opinion that, as of the date hereof, the Consideration to be received by the Unitholders pursuant to the Arrangement is fair, from a financial point of view, to the Unitholders (other than the Acquiror and its affiliates).

Yours truly,

BMO Nesbitt Burns Inc.

BMO Nesbitt Burns Inc.

SCHEDULE E
VENTUM FORMAL VALUATION AND FAIRNESS OPINION

See attached.

Ventum
Capital Markets

Ventum Financial Corp.
181 Bay Street, Suite 2500
Toronto, Ontario, M5J 2T3

September 12, 2024

Independent Committee of the Board of Trustees
Melcor Real Estate Investment Trust
900, 10310 Jasper Av., Edmonton, Alberta, T5J 1Y8, Canada

To the Independent Committee of the Board of Trustees:

Ventum Financial Corp. ("**Ventum Capital Markets**" or "**we**" or "**us**") understands that Melcor Real Estate Investment Trust (the "**REIT**"), Melcor REIT GP Inc. (the "**REIT GP**") and Melcor Developments Ltd. (the "**Acquiror**") intend to enter into an arrangement agreement dated September 12, 2024 (the "**Arrangement Agreement**") under which, among other things, the Acquiror will acquire, from the REIT, its unowned equity interest in Melcor REIT Limited Partnership (the "**Partnership**"), comprised of the shares of the REIT GP (the "**GP Shares**") for $1,622.01 in cash and the assumption of $0.01 owing by the REIT to the REIT GP (the "**GP Share Consideration**") and all of the outstanding Class A voting LP Units of the Partnership ("**Class A LP Units**") for C$4.95 per Class A LP Unit (the "**Class A Consideration**") minus the pro rated cash portion of the GP Share Consideration, by way of an arrangement under the *Business Corporations Act* (Alberta) (the "**Arrangement**"). Also pursuant to the Arrangement, the REIT will use the Class A Consideration and the GP Share Consideration to repurchase and cancel all of the REIT's outstanding participating trust units ("**Trust Units**"), pursuant to which, holders of the Trust Units (the "**REIT Unitholders**") will receive C$4.95 per Trust Unit in cash (the "**Consideration**"). Additionally, the REIT will cause the redemption of, and will pay out in cash, all C$46 million aggregate principal amount (plus any accrued and unpaid interest) of the REIT's 5.10% convertible unsecured subordinated debentures (the "**Debentures**"), with the principal amount of such redeemed Debentures to be funded by the Acquiror and all accrued and unpaid interest thereon to be funded by the REIT.

The above description is summary in nature. The terms and conditions of the Arrangement will be summarized in the REIT's management information circular (the "**Circular**") to be mailed to the holders of Trust Units and Special Voting Units (collectively, the "**Unitholders**") in connection with a special meeting of the Unitholders to approve the Arrangement.

Ventum Capital Markets understands that a committee of members of the board of trustees of the REIT (the "**Board**") who are independent of the Acquiror, and its representatives and affiliates (the "**Independent Committee**") has been constituted to, among other things, supervise the preparation of a formal valuation and report to the Board. Ventum Capital Markets has been advised by counsel to the Independent Committee that the Arrangement is a "business combination", as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Ventum Capital Markets has been retained to prepare and deliver to the Independent Committee a formal valuation of the Trust Units (the "**Valuation**") in accordance with the requirements of MI 61-101 and prepare and deliver to the Independent Committee an opinion (the "**Opinion**") as to the fairness from a financial point of view of the Consideration to be received by the REIT Unitholders (other than the Acquiror and its

affiliates), pursuant to the Arrangement. The Valuation and Opinion are referred to collectively as the "Valuation and Opinion".

The Valuation and Opinion have been prepared in accordance with the disclosure standards for formal valuations and fairness opinions of the Canadian Investment Regulatory Organization ("**CIRO**"), but CIRO has not been involved in the preparation or review of the Valuation and Opinion.

All financial figures contained herein are denominated in Canadian dollars unless otherwise noted. Certain figures have been rounded for presentation purposes.

ENGAGEMENT OF VENTUM CAPITAL MARKETS

The Independent Committee first contacted Ventum Capital Markets in early August 2024 regarding the possible engagement of Ventum Capital Markets in connection with the Arrangement. Ventum Capital Markets was formally engaged by the Independent Committee to prepare the Valuation and Opinion pursuant to an agreement dated August 15, 2024 (the "**Engagement Agreement**"). The terms of the Engagement Agreement provide that, among other things, Ventum Capital Markets will be paid C$675,000 in cash, payable upon the delivery of the Valuation and Opinion to the Independent Committee. In addition, the REIT agreed to reimburse Ventum Capital Markets for reasonable out-of-pocket expenses and to indemnify, among others, Ventum Capital Markets in respect of certain liabilities that might arise out of the engagement. No part of Ventum Capital Markets' fee is contingent upon the conclusions reached in its Valuation or Opinion, or the outcome of the Arrangement. The Valuation and Opinion and related analyses have been prepared and provided solely for the use and benefit of the Independent Committee in evaluating the Consideration from a financial point of view and may not be used or relied upon by any other person without Ventum Capital Markets' express prior written consent. Subject to the terms of the Engagement Agreement, Ventum Capital Markets consents to the publication of the Valuation and Opinion in its entirety and a summary thereof (in a form acceptable to Ventum Capital Markets) in the Circular and to the filing thereof, as necessary, by the REIT with the securities commissions or similar regulatory authorities in each province and territory of Canada.

CREDENTIALS OF VENTUM CAPITAL MARKETS

Ventum Capital Markets is an independent Canadian financial services firm that offers an integrated platform of corporate finance, mergers and acquisitions, equity research, institutional sales and trading, and private client services. Ventum Capital Markets has acted as a financial advisor in a significant number of comparable transactions and is regularly engaged in providing financial advice to public and private companies across a variety of sectors, including the real estate industry, and has extensive experience preparing valuations and opinions.

The Valuation and Opinion represents the opinion of Ventum Capital Markets as of September 12, 2024, and their form and content have been approved for release by a committee of senior officers, each of whom is experienced in merger and acquisition, divestiture, valuation, fairness opinion and capital markets matters.

RELATIONSHIP WITH INTERESTED PARTIES

Neither Ventum Capital Markets nor any "affiliated entity" (as such term is defined for the purposes of MI 61-101) of Ventum Capital Markets: i) is an "associated entity", an "affiliated entity" or an "issuer insider" (as those terms are defined in MI 61-101) of the REIT, the Acquiror, or any "interested party" (as defined in MI 61-101) in the Arrangement, or any of their respective associates or affiliates (collectively, the "**Interested Parties**"); ii) is acting as financial advisor to an Interested Party in connection with the Arrangement (other than pursuant to the Engagement Agreement); iii) has a financial incentive in respect of the conclusions reached in the Valuation and Opinion or the outcome of the Arrangement; iv) is a manager or co-manager of a soliciting dealer group formed in respect of the Arrangement (or a member of such a group performing services beyond the customary soliciting dealer's functions or receiving more than the per security or per security holder fees payable to the other members of the group); or v) has a material financial interest in the completion of the Arrangement.

Neither Ventum Capital Markets nor any of its affiliates has been engaged to provide financial advisory services, other than to prepare the Valuation and Opinion, nor has it participated in any financings involving the Interested Parties within the past two years.

Ventum Capital Markets acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have and may in the future have positions in the securities of any Interested Party, and, from time to time, may have executed or may execute transactions on behalf of any Interested Party or other clients for which it may have received or may receive compensation. As an investment dealer, Ventum Capital Markets conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including matters with respect to one or more Interested Parties or the Arrangement.

Other than as set forth above, there are no understandings, agreements or commitments between Ventum Capital Markets and the Interested Parties with respect to future business dealings. Ventum Capital Markets may, in the future, in the ordinary course of its business, perform financial advisory, investment banking or other financial services to one or more of the Interested Parties from time to time.

SCOPE OF REVIEW

In connection with the Opinion, Ventum Capital Markets reviewed, analyzed, considered and relied upon or carried out, among other things, the following:

1. a draft of the Arrangement Agreement, and schedules therein, dated September 12, 2024;

2. a draft of the backstop loan agreement among the REIT, the Partnership and the Acquiror dated September 12, 2024;

3. a draft of the press release with respect to the announcement of the Arrangement and related transactions;

4. the annual financial statements of the REIT (including related management's discussion and analysis) for the years ended December 31, 2022 and 2023;

5. the quarterly financial statements of the REIT (including related management's discussion and analysis) for the six-month and three-month period ended June 30, 2024;

6. notice of meeting and management information circular for the annual general meeting of Trustees, dated May 8, 2024;

7. the annual information forms of the REIT for each of the fiscal years ended December 31, 2022 and 2023;

8. certain other publicly available information related to the business, operations, financial conditions and trading history of the REIT and the Partnership and other selected publicly available information Ventum Capital Markets considered relevant;

9. internal forecasts, projections, estimates and budgets prepared or provided by or on behalf of the management of the REIT and approved by the Independent Committee for Ventum Capital Markets' use in connection with its financial analysis;

10. other internal financial, operating, corporate, and other information concerning the REIT and the Partnership, and their subsidiaries, that was prepared and provided by management of the REIT;

11. third party appraisals of the material assets of the Partnership;

12. trust indenture, as amended, in respect of the Debentures and other debt agreements in respect of the REIT's current debt obligations;

13. credit agreements relating to the Partnership's current indebtedness, including, without limitation, the amended and restated credit agreement between the Partnership, as borrower, ATB Financial, as administrative agent, lead arranger, syndication agent, sole bookrunner and lender, and Canadian Western Bank, as lender, dated May 27, 2024, as amended by a first amending agreement dated August 29, 2024;

14. press releases, material change reports and other public documents filed by the REIT on SEDAR+ at www.sedarplus.ca on or after January 1, 2023;

15. discussions with management of the REIT regarding the Partnership's past and current business plan, operations and financial conditions and prospects;

16. discussions with DLA Piper LLP, external legal counsel to the Independent Committee;

17. select publicly available financial information and statistics regarding precedent transactions we considered relevant;

18. various reports published by equity research analysts and industry sources we considered relevant;

19. a letter of representation as to certain factual matters and the completeness and accuracy of certain information upon which the Valuation and Opinion is based, addressed to us and dated as of the date hereof, provided by the Chief Executive Officer and Chief Financial Officer of the REIT; and

20. such other information, investigations, analysis and discussion as we considered necessary or appropriate in the circumstances.

Ventum Capital Markets has not, to the best of its knowledge, been denied access by the REIT to any information under the REIT's control requested by Ventum Capital Markets.

PRIOR VALUATIONS

The REIT has represented to Ventum Capital Markets that there have been no independent appraisals or valuations or material non-independent appraisals or valuations relating to the REIT or any of its subsidiaries or any of their respective material assets or liabilities which have been prepared as of a date within the two (2) years preceding the date of the Engagement Agreement other than those exempt from the definition of "prior valuation" under MI 61-101.

ASSUMPTIONS AND LIMITATIONS

The Valuation and Opinion are subject to the assumptions, qualifications and limitations set forth below.

In accordance with the Engagement Agreement, we have relied upon the accuracy, completeness and fair presentation of all information, data, representations, opinions, financial statements, management discussion and analysis, internal financial information, and other materials prepared by the REIT relevant to the subject matter of the Arrangement or the Valuation and Opinion obtained by Ventum Capital Markets orally or in writing, or otherwise made available to Ventum Capital Markets, by or on behalf of the REIT in connection with the Engagement Agreement (the "**Information**"). The Valuation and Opinion are conditional upon such accuracy, completeness, and fair presentation. We have not been requested to or attempted to verify independently the accuracy, completeness or fairness of presentation of any such information, data, advice, opinions and representations. We have not met separately with the independent auditors of the REIT in connection with preparing the Valuation and Opinion. We have assumed that forecasts, projections, estimates and budgets provided to us and used in our analysis were reasonably prepared reflecting the best currently available assumptions, estimates and judgments of management of the REIT, having regard to the REIT's business, plans, financial condition and prospects.

Senior officers of the REIT have represented to Ventum Capital Markets in a certificate dated the date hereof, among other things, that: (i) the Information (excluding any forecasts, projections, estimates or other forward-looking information) were true, accurate, complete and correct in all material respects, did not contain any untrue statements of a material fact (as defined in the *Securities Act* (Ontario)) in respect of or involving the REIT, or the REIT's business or assets or the Arrangement, and did not omit to state a material fact in respect of the REIT, its business, its assets or the Arrangement necessary to make the Information (or any statement therein) not misleading in light of the circumstances under which the Information (or any statement therein) was made or provided, in each case as at the date the Information was provided or made available (or such other date specified in such Information) and, with respect to the financial statements, were prepared in accordance with International Financial Reporting Standards (except as to the absence of full note disclosure in non-audited financial statements); (ii) since the dates that the Information was provided to Ventum Capital Markets, there has been no material change (as such term is defined in the *Securities Act* (Ontario)), financial or otherwise, in the financial condition, assets,

liabilities (contingent or otherwise), business, operations or prospects of the REIT that has not been disclosed in writing to Ventum Capital Markets and there has been no change in any material fact or new material fact which is of a nature so as to render the Information untrue or misleading in any material respect, or which would reasonably be expected to have a material effect on the Valuation or Opinion, that has not been disclosed in writing to Ventum Capital Markets; and (iii) any portions of the Information provided or made available to Ventum Capital Markets by the REIT which constitute forecasts, projections, estimates or other forward-looking information was, based on data available to the REIT at such time, reasonable and reflected the assumptions disclosed therein (which assumptions the REIT and its management team believed and continue to believe as of the date hereof to be reasonable in the circumstances) and did not and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make such portions of the Information not misleading in light of the circumstances in which such portions of the Information were made or provided.

In preparing the Valuation and Opinion, Ventum Capital Markets has made several assumptions, including that all final or executed versions of documents will conform in all material respects to the drafts provided to Ventum Capital Markets, all conditions precedent to be satisfied to complete the Arrangement can and will be satisfied or waived, that all approvals, authorizations, consents, permissions, exemptions or orders of relevant regulatory authorities required in respect of or in connection with the Arrangement will be obtained, without adverse condition or qualification, and that all steps or procedures being followed to implement the Arrangement are valid and effective.

The Valuation and Opinion have been provided for the exclusive use of the Independent Committee in considering the Arrangement and is not intended to be, and does not constitute, a recommendation to the Independent Committee as to whether they should recommend the Arrangement Agreement nor as to how any Unitholder should vote their Trust Units or act on any matter relating to the Arrangement and we express no opinion as whether holders of convertible securities should exercise any conversion or other rights, or otherwise act on any matter relating to the Arrangement. The Valuation and Opinion must not be used by any other person or relied upon by any other person other than the Independent Committee without the express prior written consent of Ventum Capital Markets. The Valuation and Opinion do not address the relative merits of the Arrangement as compared to other strategic alternatives that might be available to the REIT. Except for the inclusion of, and description of, the Valuation and Opinion in the Circular and in related documents and press releases in respect of the Arrangement, the Valuation and Opinion are not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent.

The Valuation and Opinion are rendered on the basis of securities markets, economic and general business and financial conditions prevailing on the date hereof and the condition and prospects, financial and otherwise, of the REIT and its subsidiaries as they were reflected in the Information provided to Ventum Capital Markets. In our analysis and in preparing the Valuation and Opinion, Ventum Capital Markets made numerous judgments and assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond our control or that of any party involved in the Arrangement.

Ventum Capital Markets has not undertaken an independent evaluation, appraisal or physical inspection of any assets or liabilities of the Company or its subsidiaries, is not an expert on, and did not render advice

to the Company regarding, and assumes no and disclaims all liability and obligation in respect of, legal, accounting, regulatory or tax matters.

The Valuation and Opinion are given as of the date hereof and, although Ventum Capital Markets reserves the right to change or withdraw the Valuation or Opinion if we learn that any of the information that we relied upon in preparing the Valuation and Opinion was inaccurate, incomplete or misleading in any material respect, we disclaim any obligation to change or withdraw the Valuation or Opinion, to advise any person of any change that may come to our attention or to update the Valuation or Opinion after the date hereof, other than, in each case, as required under MI 61-101.

Ventum Capital Markets believes that its analyses must be considered as a whole and that selecting portions of the analyses, or the factors considered by it, without considering all factors and analyses together, could create an incomplete view of the process underlying the Valuation or Opinion. Accordingly, the Valuation and Opinion should be read in their entirety.

OVERVIEW OF THE COMPANY

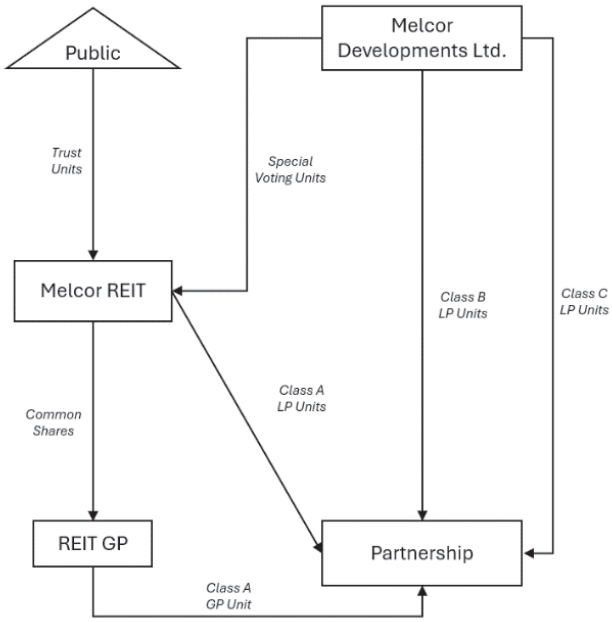
The REIT is an unincorporated, open-ended real estate investment trust, which, through its ownership interests in the Partnership, primarily engages in the investment and operation of a diversified commercial real estate portfolio. The REIT's Trust Units are publicly listed on the Toronto Stock Exchange ("TSX") under the symbol "TSX:MR.UN".

The REIT, through its ownership interests in the Partnership, owns, acquires, manages and leases quality retail, office, and industrial income-generating properties in western Canadian markets. The REIT's portfolio is currently made up of interests in 37 properties representing approximately 3.12 million square feet of gross leasable area located across Alberta, Regina, Saskatchewan, and Kelowna, British Columbia.

The Partnership's properties are primarily managed by the Acquiror pursuant to an amended and restated Asset Management Agreement dated May 26, 2022 and an amended and restated Property Management Agreement dated May 26, 2022. The Partnership's relationship with the Acquiror is also governed by a Development and Opportunities Agreement dated May 1, 2013.

Summary Organizational Structure

The following chart summarizes the REIT's organizational structure as of the date hereof:



Summary Historical Financial Information

The following table summarizes certain of the REIT's historical financial results (and, in the case of fiscal 2024, first half financial results) for the fiscal years ended and as of December 31:

C$, Millions	**2021A**	**2022A**	**2023A**	**H1'2024A**
Rental Revenue	$74.1	$74.1	$73.9	$36.8
Revenue - YoY Growth	–	*0.0%*	*(0.3%)*	*(50.3%)*
Operating Expenses[(1)]	$26.3	$27.8	$27.3	$13.6
Net Operating Income	$47.8	$46.3	$46.6	$23.1
NOI - YoY Growth	–	*(3.0%)*	*0.7%*	*(50.4%)*
Select Cash Flow Items				
General & Administrative	$3.0	$3.4	$3.1	$2.0
Capital Expenditures	$2.3	$3.5	$5.3	$0.9
Select Balance Sheet Items				
Cash & Cash Equivalents	$7.3	$3.3	$3.3	$3.3
Total Assets	$735.7	$730.8	$701.0	$687.6
Long Term Debt (Excl. Class C LP Units)	$383.6	$402.9	$398.7	$390.8
Unitholders' Equity	$165.8	$189.2	$199.3	$219.6

Note:

1. Operating Expenses adjusted for Amortization of tenant incentives and Straight-line rent adjustment.

VALUATION OF THE TRUST UNITS

Definition of Fair Market Value

For the purposes of the Valuation, fair market value means the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act.

In accordance with MI 61-101, Ventum Capital Markets has made no downward adjustment to the value of the Trust Units to reflect the liquidity of the Trust Units, the effect of the Arrangement on the Trust Units, or the fact that the Trust Units held by individual REIT Unitholders do not form part of a controlling interest. A valuation prepared on the foregoing basis is referred to as "en bloc" valuation.

Approach to Value

The Valuation is based upon techniques and assumptions that Ventum Capital Markets considers appropriate in the circumstances for the purposes of arriving at an opinion as to the range of fair market value of the Trust Units.

All of the operating assets and liabilities associated with the REIT and the REIT Units are owned, or are an obligation, of the Partnership. The Acquiror is the sole holder of the Class B LP Units in the Partnership ("**Class B LP Units**"), and the Acquiror has the right to require the REIT to exchange each Class B LP Unit for one Trust Unit. The Class B LP Units are, in all material respects, economically equivalent to the Trust Units on a per unit basis, and therefore, Ventum Capital Markets has completed its analysis herein on an "as exchanged" basis with respect to the Class B LP Units. In addition, while, as at the date hereof, there remains uncertainty with respect to the REIT's ability to refinance certain near-term financial obligations at terms no less punitive relative to their current terms, the fair market value of the Trust Units was analyzed on a going concern basis and is expressed on a per Trust Unit basis.

Valuation Methodologies and Analysis

For the purposes of determining the fair market value of the Trust Units, Ventum Capital Markets has considered the following methodologies:

- discounted cash flow ("**DCF**") approach;
- direct capitalization approach; and
- precedent transactions approach.

Special Voting Units, Class A GP Unit, and REIT GP

Ventum Capital Markets was required to assess the value of the special voting units of the REIT ("**Special Voting Units**") and the Class A Unit of the Partnership (the "**Class A GP Unit**") in order to determine their impact on the fair value of the Trust Units.

The Special Voting Units have no economic entitlement in the REIT or in the distributions or assets of the REIT but entitle the holder to one vote per Special Voting Unit at any meeting of the Unitholders. Special Voting Units may only be issued in connection with or in relation to securities exchangeable into Trust Units, including Class B LP Units, for the purpose of providing voting rights with respect to the REIT to the holders of such securities.

The REIT, through its wholly owned subsidiary, the REIT GP, is the sole holder of the Class A GP Unit. The Class A GP Unit is the only material asset held by the REIT GP. The Class A GP Unit receives priority distributions from the Partnership equal to the aggregate of: (i) amounts sufficient to reimburse REIT GP for expenses incurred in performing its duties and obligations under the partnership agreement, and (ii) 0.001% of distributions made by REIT GP, on behalf of the Partnership, in priority to distributions to holders of the Class A LP Units and the Class B LP Units, but after holders of the Class C LP Units of the Partnership ("**Class C LP Units**") Units have been paid their respective distributions.

Ventum Capital Markets has ascribed zero fair market value to any of the Special Voting Units, the Class A GP Unit or the REIT GP in the context of preparing the Valuation of the Trust Units.

DCF & DIRECT CAPITALIZATION APPROACHES

The DCF and direct capitalization approaches ascribe separate values for each asset and liability category, including the consideration of certain synergies and capitalized general and administrative ("**G&A**") expenses, utilizing the methodology appropriately in each case. The sum of the total assets less total liabilities, which is subsequently divided by the fully-diluted number of Trust Units, equals the net asset value ("**NAV**") for each Trust Unit.

For the purposes of determining the REIT's overall NAV, Ventum Capital Markets separated the NAV into the following categories:

i. income producing properties of the Partnership;
ii. mortgages and corporate level debt;
iii. other assets and liabilities;
iv. capitalized G&A expenses; and
v. synergies.

Income Producing Properties

To value the income producing properties of the Partnership, Ventum Capital Markets used: (i) a 4.5-year DCF approach; and (ii) net operating income ("**NOI**") direct capitalization approach.

DCF Approach

The DCF approach involved deriving a value range for the income producing properties by discounting the projected unlevered free cash flows from the REIT's forecasts ("**UFCF**") and terminal values to a present value, using an appropriate weighted average cost of capital ("**WACC**"). As part of the DCF approach, Ventum Capital Markets reviewed the long-term forecasted cash flows provided by the management of the REIT including, among other things, the assumptions on the individual income producing properties regarding expected rents, occupancy, operating expenses and capital expenses.

The following table summarizes the UFCF projections, excluding SG&A, used in the DCF analysis on a consolidated basis:

C$, Millions	**H2'2024E**	**2025E**	**2026E**	**2027E**	**2028E**
Net Operating Income	$22.3	$44.8	$46.6	$48.5	$49.3
Less: Tenant Improvements / Leasing Commission	($0.8)	($11.2)	($11.7)	($7.8)	($9.4)
Less: CAPEX / Structural Allowances	($1.4)	($12.0)	($5.0)	($3.1)	($2.7)
Unlevered Free Cash Flow	**$20.2**	**$21.6**	**$29.8**	**$37.7**	**$37.3**

The WACC was calculated based on the REIT's estimated cost of debt and cost of equity, weighted based upon an assumed optimal capital structure for the REIT. The REIT's assumed optimal capital structure was considered based upon a review of the capital structures of comparable companies within the Canadian diversified, industrial, retail and office asset classes, with deliberation upon the inherent risks to the REIT's business and the local, regional, and macro real estate and capital markets. The cost of debt was based on guidance from the REIT management to Ventum Capital Markets. Based on the foregoing, and including, among other things, Ventum Capital Markets' knowledge of the current real estate market, a WACC range of 10.5% - 11.5% was applied as part of the DCF approach.

As part of the DCF approach, Ventum Capital Markets calculated a terminal value at the end of the UFCF period utilizing a terminal year NOI value and applying a terminal capitalization rate (the "**Terminal Cap Rate**") ranging from 7.5% to 8.0% and discounted to a present value using the WACC.

The value of the REIT's income producing properties using the DCF approach ranged from C$492 million to C$536 million. Ventum Capital Markets has not assumed any acquisitions or dispositions of properties over the forecast period. However, the potential outcomes of disposition processes with respect to certain properties were considered by Ventum Capital Markets in determining its value range under this approach.

Direct Capitalization Approach

Ventum Capital Markets also utilized a direct capitalization approach to value the REIT's income producing properties. The analysis involved a detailed evaluation of the REIT's portfolio and assessing capitalization rates on an individual property basis. Capitalization rates for each property were selected based on independent market sources and Ventum Capital Markets' knowledge of the current real estate market, factoring in specific property attributes and factors including, but not limited to, their status, if applicable, under the REIT's ongoing divestiture program, and near-term capital expenditures requirements and lease expiries. The resulting asset capitalization rates used by Ventum Capital Markets ranged from 5.5% to 14.5%, with a weighted average portfolio range of 8.0% to 9.2%. An implied value for each income producing property was calculated by applying selected capitalization rates to the property's NOI. This produced an implied low and high value for each individual property.

The value of the REIT's income producing properties using the direct capitalization approach ranged from C$515.0 million to C$595.6 million. Ventum Capital Markets has not assumed any acquisitions or dispositions of properties over the forecast period. However, the potential outcomes of disposition processes with respect to certain properties were considered by Ventum Capital Markets in determining its value range under this approach.

Mortgages and Corporate Level Debt

The REIT's total debt of approximately C$411.7 million was included in Ventum Capital Markets' assessment based upon the outstanding principal amount and a mark-to-market adjustment in connection with certain mortgage debt.

The REIT had total mortgage principal amount outstanding of C$313.8 million as of June 30, 2024. The weighted average interest rate on the mortgages is approximately 4.11%, with a weighted average term of approximately 3.3 years. Based on current bond yields, bank rates, and real estate lending spreads, Ventum Capital Markets calculated a mark-to-market adjustment, reducing the REIT's mortgage debt by C$8.6 million.

The REIT's revolving credit facility and the Debentures were included in Ventum Capital Markets' assessment based on the principal amounts outstanding as of June 30, 2024 of C$31 million and C$46 million, respectively.

The Class C LP Units are held solely by the Acquiror in consideration of debt retained by the Acquiror on certain properties previously sold by the Acquiror to the REIT. The REIT makes distributions to the Acquiror to satisfy required principal and interest payments on the retained debt. For the purposes of Ventum Capital Markets' assessment, the Class C LP Units were included at their carrying value of C$20.8 million as of June 30, 2024.

Other Assets and Liabilities

For the purposes of Ventum Capital Markets' assessment, the REIT's other assets and liabilities included items such as cash and cash equivalents, short-term investments, interest rate swaps, lease and decommissioning obligations and other working capital items, which were included at their carrying value as per the REIT's latest financial statements as of June 30, 2024.

Capitalized G&A Expenses

Based on the REIT's management forecast for the fiscal year ending December 31, 2024, the REIT is expected to spend approximately C$3 million in connection with G&A expenses. For the purposes of Ventum Capital Markets' assessment, these G&A expenses have been capitalized based on a range of multiples between 6.0x – 7.0x, representing a total deduction of $19 million to $23 million.

Synergies

In accordance with MI 61-101, Ventum Capital Markets reviewed and considered whether any distinctive material value might accrue to the Acquiror or any other purchaser as a consequence of the transactions contemplated in the Arrangement Agreement. It was determined based on discussions with the management of the REIT that a purchaser, including the Acquiror, would be able to benefit from synergies relating to the REIT's public company costs, estimated at approximately C$0.7 million per year. Ventum Capital Markets has assumed that a purchaser of the REIT would pay 50% of these synergies and has reflected this amount in the DCF and direct capitalization approaches through an addition, utilizing a range of multiples between 6.0x – 7.0x.

Summary

The following table summarizes Ventum Capital Markets' DCF and direct capitalization approaches of the REIT, implying a range of NAV values per Trust Unit for each methodology:

C$, Millions	DCF Approach		Capitalization Approach	
	Low	High	Low	High
Assets				
Investment Properties	$492.0	$536.2	$515.0	$595.6
Cash & Cash Equivalents	$3.3	$3.3	$3.3	$3.3
Other Assets	$10.6	$10.6	$10.6	$10.6
Synergies	$2.3	$2.6	$2.3	$2.6
Liabilities				
Revolving Credit Facility	($31.0)	($31.0)	($31.0)	($31.0)
Class C LP Units	($20.8)	($20.8)	($20.8)	($20.8)
Mortgages Payable	($313.8)	($313.8)	($313.8)	($313.8)
Mark-to-Market Adjustment	$8.6	$8.6	$8.6	$8.6
Convertible Debentures	($46.0)	($46.0)	($46.0)	($46.0)
Other Liabilities	($12.7)	($12.7)	($12.7)	($12.7)
Capitalized G&A	($19.3)	($22.5)	($19.3)	($22.5)
NAV	**$73.1**	**$114.4**	**$96.1**	**$173.8**
Basic Units Outstanding	13.0	13.0	13.0	13.0
Class B LP Units	16.1	16.1	16.1	16.1
NAV Per Unit	**$2.51**	**$3.93**	**$3.30**	**$5.97**

Based on the foregoing, by subtracting the sum of the REIT's total liabilities from the sum of its total assets, Ventum Capital Markets determined a range of $2.51 to $3.93 per Unit using the DCF approach for the REIT's portfolio, and a range of $3.30 to $5.97 per Unit using the direct capitalization approach for the REIT's portfolio.

Sensitivity Analysis

In completing the DCF and direct capitalization approaches, Ventum Capital Markets performed a variety of sensitivities. With respect to the DCF approach, the terminal capitalization rate and WACC were sensitized. For the direct capitalization approach, NOI estimates and capitalization rates were sensitized. A summary of the results are as follows:

WACC	Terminal Cap Rate		
	7.50%	7.75%	8.00%
10.50%	$536.2	$522.6	$509.9
11.00%	$526.6	$513.3	$500.9
11.50%	$517.2	$504.2	$492.0

Precedent Transactions Approach

Ventum Capital Markets reviewed and considered public market all-cash & cash and stock M&A precedent transactions in the Canadian corporate real estate investment trust sector that exhibited certain characteristics considered, in Ventum Capital Markets' professional judgement, to be relevant to the REIT. A summary of the precedent transactions reviewed is presented below:

C$, Millions

Ann. Date	Acquirer	Target	Transaction Value	Premium to Last Price	Prem./(Disc) to NAV
Nov-07-22	GIC Pte Ltd / Dream Industrial REIT	Summit Industrial Income REIT	$5,864	31.1%	19.3%
Oct-24-21	Canderel Mgmt	Cominar REIT	$5,598	13.4%	(8.8%)
Aug-09-21	Blackstone REIT	WPT Industrial REIT	$3,731	17.2%	33.4%
Oct-10-19	McCowan & Associates Ltd.	Partners REIT	$98	21.5%	*NA*
Feb-15-18	Choice Properties	Canadian REIT	$5,895	23.1%	9.7%
Jan-09-18	Blackstone Real Estate Advisors LP, Ivanhoé Cambridge	Pure Industrial REIT	$3,282	20.5%	23.8%
Jan-23-17	Brookfield Properties Partners LP	Brookfield Canada Office Properties	$8,154	24.0%	(2.2%)

Note:

1. Per consensus analyst estimates

In selecting the appropriate premiums / discounts to the unaffected Trust Unit price and the REIT's consensus NAV per Trust Unit, Ventum Capital Markets considered the characteristics of the targets involved in the transactions above including, among other considerations, type, location, and quality of their assets. Based on the foregoing, Ventum Capital Markets selected the ranges outlined below. As of September 12, 2024, the consensus NAV per Trust Unit, based on the averages published by research analysts, was $5.25.

		Selected Premium		Implied Value	
	Metric	Low	High	Low	High
Premium to Unaffected Trading Price.....	$3.40	20.0%	30.0%	$4.08	$4.42
Premium / (Discount) to Consensus NAV.....	$5.25	(10.0%)	10.0%	$4.73	$5.78

Other Reference Points

Ventum Capital Markets also reviewed and took into consideration the following reference points.

Comparable Trading Analysis

Ventum Capital Markets identified and reviewed publicly traded companies that exhibited certain characteristics considered, in Ventum Capital Markets' professional judgement, to be relevant to the REIT,

including those real estate companies operating in the office, retail, industrial and diversified sub-sectors. A summary of the comparable companies reviewed is presented below:

Company	Equity Value	P/FFO[1] 2024E	P/FFO[1] 2025E	P/AFFO[1] 2024E	P/AFFO[1] 2025E	Prem./(Disc) To NAV[1]
Industrial						
Granite REIT	$4,996	14.9x	13.8x	16.8x	15.7x	(7.3%)
Dream Industrial REIT	$4,100	14.1x	12.8x	15.8x	14.6x	(9.4%)
Nexus Industrial REIT	$830	12.3x	11.0x	14.6x	13.0x	(6.9%)
Pro REIT	$365	11.8x	11.0x	12.5x	11.7x	(15.9%)
Median		**13.2x**	**11.9x**	**15.2x**	**13.8x**	**(8.3%)**
Retail						
Choice Properties REIT	$10,887	14.6x	14.2x	16.3x	15.7x	–
RioCan REIT	$6,004	11.1x	10.4x	13.0x	11.9x	(8.6%)
SmartCentres REIT	$4,633	12.8x	12.4x	14.3x	14.2x	(4.4%)
First Capital REIT	$3,888	13.6x	14.1x	16.3x	16.1x	(4.5%)
CT REIT	$3,745	11.9x	11.6x	12.8x	12.5x	(0.6%)
Crombie REIT	$2,857	12.6x	12.4x	14.5x	14.1x	(2.2%)
Primaris REIT	$1,535	9.5x	9.2x	12.7x	12.2x	(21.1%)
Automotive Properties REIT	$628	12.7x	12.2x	13.1x	12.9x	(2.0%)
Plaza Retail REIT	$426	10.1x	9.6x	11.9x	11.2x	(10.1%)
Canadian Net REIT	$114	8.7x	8.1x	9.0x	8.7x	(11.3%)
Median		**12.2x**	**11.9x**	**13.1x**	**12.7x**	**(4.4%)**
Office						
Allied Properties REIT	$2,526	8.3x	8.3x	9.5x	9.6x	(16.0%)
NorthWest Healthcare Properties REIT	$1,317	12.2x	11.2x	13.3x	11.7x	(34.3%)
Dream Office REIT	$388	7.1x	7.2x	12.1x	12.3x	(18.2%)
Slate Office REIT	$31	1.8x	1.8x	2.4x	2.6x	(28.0%)
True North Commercial REIT	$189	5.3x	5.5x	5.9x	6.3x	40.4%
Median		**7.1x**	**7.2x**	**9.5x**	**9.6x**	**(18.2%)**
Diversified						
H&R REIT	$3,187	9.6x	9.3x	11.4x	11.0x	(32.0%)
Artis REIT	$825	7.8x	7.3x	13.5x	11.8x	(21.8%)
Morguard REIT	$356	7.1x	8.1x	11.0x	15.0x	(11.4%)
BTB REIT	$313	8.4x	7.9x	10.1x	9.3x	(4.7%)
Firm Capital Property Trust	$210	11.2x	10.8x	11.6x	11.0x	(14.9%)
Median		**8.4x**	**8.1x**	**11.4x**	**11.0x**	**(14.9%)**

Note:

1. Per consensus analyst estimates

Historical Trading Analysis

Ventum Capital Markets reviewed historical trading prices of the Trust Units on the TSX for the twelve months ended September 12, 2024. Over this twelve-month period, the Units traded in a band achieving a twelve-month low of $2.19 and a twelve-month high of $5.05 per Trust Unit.

Research Analyst Target Prices

Ventum Capital Markets reviewed public market trading price targets and NAV estimates for the Trust Units. Equity research analyst price targets reflect an analyst's estimate of the one-year public market trading price of the Trust Units at the time the price target is established. The NAV per Trust Unit estimate represents an equity analyst's estimate of the intrinsic value of the REIT's net assets on a per Trust Unit basis.

	Low	High
Price Target	$3.25	$3.25
NAV Per Trust Unit	$4.50	$6.00

Valuation Summary

The follow is a summary of the range of fair market values of the Trust Units resulting from the DCF analysis, direct capitalization analysis, and precedent transaction analysis.

	Low	High
NAV Analysis using Direct Capitalization Approach	$3.30	$5.97
NAV Analysis using DCF Approach	$2.51	$3.93
Precedent Transactions using Prem. To Unaffected Trading Price	$4.08	$4.42
Precedent Transactions using Prem./Disc. To Consensus NAV	$4.73	$5.78

Valuation Conclusion

In arriving at its opinion as to the fair market value of the Trust Units, Ventum Capital Markets did not attribute any particular weighting to any of the above approaches, but rather made qualitative judgments based upon our experience in rendering such opinions and on prevailing circumstances, including current market conditions, as to the significance and relevance of each valuation approach and overall financial analysis.

Based upon and subject to the foregoing, Ventum Capital Markets is of the opinion that, as of September 12, 2024, the fair market value of the Trust Units is in the range of C$3.50 to $5.00 per Trust Unit.

Fairness Opinion

In considering the fairness, from a financial point of view, of the Consideration to be received by the REIT Unitholders (other than the Acquiror and its affiliates) pursuant to the Arrangement, Ventum Capital Markets reviewed, considered and relied upon or carried out, among other things, those items listed under "Scope of Review" and the following:

- A comparison of the value of the Consideration offered under the Arrangement to the fair market value range of the Trust Units determined in the Valuation; and
- Such other information, investigations and analysis necessary or appropriate in the circumstances

Comparison of the Consideration to the Valuation

Under the terms of the Arrangement, the REIT Unitholders would receive C$4.95 per Trust Unit, which is within the range of the fair market value of the Trust Units as of September 12, 2024, as determined by Ventum Capital Markets in the Valuation.

CONCLUSION

Based upon and subject to the foregoing and such other matters that Ventum Capital Markets considered relevant, Ventum Capital Markets is of the opinion that, as of the date hereof, the Consideration to be received by the REIT Unitholders (other than the Acquiror and its affiliates) pursuant to the Arrangement is fair from a financial point of view to the REIT Unitholders.

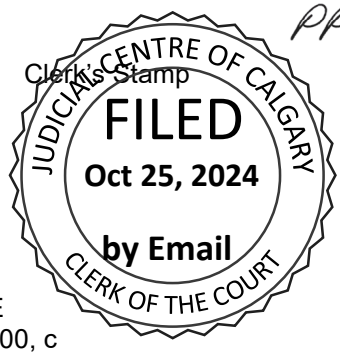
Yours truly,

Ventum Financial Corp.

VENTUM FINANCIAL CORP.

SCHEDULE F
INTERIM ORDER

See attached.



COURT FILE NUMBER	2401 14600
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
MATTER	IN THE MATTER OF SECTION 193 OF THE *BUSINESS CORPORATIONS ACT*, RSA 2000, c B-9, AS AMENDED AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING MELCOR REAL ESTATE INVESTMENT TRUST, UNITHOLDERS OF MELCOR REAL ESTATE INVESTMENT TRUST, MELCOR REIT GP INC., AND MELCOR DEVELOPMENTS LTD.
APPLICANTS	MELCOR REAL ESTATE INVESTMENT TRUST AND MELCOR REIT GP INC.
RESPONDENTS	NOT APPLICABLE
DOCUMENT	**INTERIM ORDER**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**DLA PIPER (CANADA) LLP** 1000, 250 - 2nd Street SW Calgary Alberta T2P 0C1 **Attention: Derek Bell / Kevin Hoy** Phone: 403.698.8738 Fax: 403.776.8861 Email: derek.bell@dlapiper.com / kevin.hoy@dlapiper.com File No.: 114531-00001

DATE ON WHICH ORDER WAS PRONOUNCED:	**October 24, 2024**
LOCATION OF HEARING:	**Calgary Courts Centre, Calgary, Alberta**
NAME OF JUSTICE WHO GRANTED THIS ORDER:	**Justice B. Johnston**

UPON the Originating Application (the "**Originating Application**") of Melcor Real Estate Investment Trust (the "**REIT**") and Melcor REIT GP Inc. ("**Melcor GP**", and collectively with the REIT, the "**Applicant**");

AND UPON reading the Originating Application, the affidavit of Richard Kirby sworn October 16, 2024, (the "**Affidavit**") and the documents referred to therein;

AND UPON being advised that notice of the Originating Application has been given to the Registrar (the "**Registrar**") appointed under section 263 of the *Business Corporations Act*, RSA 2000, c B-9, as amended (the "**ABCA**"), such notice having been effected in accordance with the ABCA and upon being advised that the Registrar has advised that it has no objections to the Originating Application;

AND UPON HEARING counsel for the Applicant;

FOR THE PURPOSES OF THIS ORDER:

(a) the capitalized terms not defined in this Order (the "**Order**") shall have the meanings attributed to them in the draft management information circular (the "**Information Circular**") of the REIT which is attached as Exhibit "A" to the Affidavit; and

(b) all references to "Arrangement" used herein mean the arrangement as set forth in the plan of arrangement attached as Schedule A to the arrangement agreement (the "**Arrangement Agreement**") entered into between the Applicant and Melcor Developments Ltd. ("**MRD**"), which Arrangement Agreement is produced as Exhibit "C" to the Affidavit.

IT IS HEREBY ORDERED THAT:

General

1. The Applicant shall seek approval of the Arrangement as described in the Information Circular by the holders of Units (the "**Unitholders**") and Special Voting Units ("**SVU Unitholders**" and collectively, with Unitholders, the "**Voting Unitholders**") of the REIT in the manner set forth below.

The Meeting

2. The Applicant shall call and conduct a special meeting (the "**Meeting**") of Voting Unitholders on or about November 26, 2024. At the Meeting, the Voting Unitholders will consider and vote upon a resolution to approve the Arrangement substantially in the form attached as Schedule "C" to the Information Circular (the "**Arrangement Resolution**") and such other business as may properly be brought before the Meeting or any adjournment or postponement thereof, all as more particularly described in the Information Circular.

3. A quorum at the Meeting shall be not fewer than two Voting Unitholders, in person or represented by proxy, representing in aggregate not less than 10% of the total number of outstanding Voting Units on the record date for the meeting.

4. If, within one-half hour after the time appointed for the holding of the Meeting, a quorum is not present, the Meeting shall stand adjourned to such date, being not less than twenty one (21) days nor more than sixty (60) days later and to such place and time as may be appointed by the chairperson of the Meeting. Not less than 10 days prior notice shall be given of the time and place of such adjourned Meeting in the manner provided in an Amended and Restated Declaration of Trust of the REIT, dated May 1, 2013, of the REIT, produced at Exhibit "B" to the Af fidavit (the

"**Declaration of Trust**"). Such notice shall state that at the adjourned Meeting the Voting Unitholders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the Meeting was originally called or any other particulars. At the adjourned Meeting, the Voting Unitholders present in person or by proxy shall form a quorum and may transact the business for which the Meeting was originally convened and a resolution proposed at such adjourned Meeting and passed by the requisite vote shall be a Special Resolution within the meaning of the Declaration of Trust.

5. Each Unit and each SVU entitled to be voted at the Meeting will entitle the holder to one vote at the Meeting in respect of the Arrangement Resolution and any other matters to be considered at the Meeting.

6. The record date for Voting Unitholders entitled to receive notice of and vote at the Meeting shall be October 22, 2024 (the "**Record Date**"). Only Voting Unitholders as at the Record Date shall be entitled to receive notice of the Meeting. Voting Unitholders whose names have been entered on the register of the REIT as at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

7. The Meeting shall be called, held and conducted in accordance with the terms of the Declaration of Trust, the Information Circular, the rulings and directions of the Chair of the Meeting, this Order and any further Order of this Court. To the extent that there is any inconsistency or discrepancy between this Order and ARDT, the terms of this Order shall govern.

Conduct of the Meeting

8. The Chair of the Meeting shall be any trustee or officer of the REIT.

9. The only persons entitled to attend the Meeting shall be registered Voting Unitholders as of the Record Date or their authorized representatives or proxy holders, the Applicant's directors, trustees and officers and its auditors, the Applicant's legal counsel, and representatives and legal counsel of other parties to the Arrangement Agreement, the Registrar, and such other persons who may be permitted to attend by the Chair of the Meeting.

10. The Arrangement Resolution must be approved by: (i) 66 2/3% of the votes cast by Voting Unitholders, voting as a single class, present in person or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast by Voting Unitholders present in person or represented by proxy and entitled to vote at the Meeting, excluding for this purpose votes attached to the SVUs and Units held by Unitholders who are excluded in accordance with *Multilateral Instrument 61-101 — Protection of Minority Security Holders in Special Transactions*.

11. To be valid, a proxy must be deposited with Odyssey Trust Company, the REIT's registrar and transfer agent, in the manner described in the Information Circular by not later than November 22,

2024, or not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof.

12. Any proxy that is properly signed and dated but which does not contain voting instructions shall be deemed to be voted in favour of the Arrangement Resolution.

13. The accidental omission to give notice of the Meeting or the non-receipt of the notice shall not invalidate any resolution passed or proceedings taken at the Meeting.

14. The Applicant is authorized to adjourn or postpone the Meeting on one or more occasions (whether or not a quorum is present, if applicable) and for such period or periods of time as the Applicant deems advisable, without the necessity of first convening the Meeting or first obtaining any vote of the Voting Unitholders in respect of the adjournment or postponement. Subject to paragraph 4 of this Order, Notice of such adjournment or postponement may be given by such method as the Applicant determines is appropriate in the circumstances. If the Meeting is adjourned or postponed in accordance with this Order, the references to the Meeting in this Order shall be deemed to be the Meeting as adjourned or postposed, as the context allows, and the Record Date shall not change in respect of or as a consequence of any adjournment or postponement.

Amendments to the Arrangement

15. The Applicant and MRD are authorized to make such amendments, revisions or supplements to the Arrangement as they may together determine necessary or desirable, provided that such amendments, revisions or supplements are made in accordance with and in the manner contemplated by the Arrangement and the Arrangement Agreement. The Arrangement so amended, revised or supplemented shall be deemed to be the Arrangement submitted to the Meeting and the subject of the Arrangement Resolution, without need to return to this Court to amend this Order.

Amendments to Meeting Materials

16. The Applicant is authorized to make such amendments, revisions or supplements ("**Additional Information**") to the Information Circular, form of proxy ("**Proxy**"), notice of the Meeting ("**Notice of Meeting**"), form of letter of transmittal ("**Letter of Transmittal**") and notice of Originating Application ("**Notice of Originating Application**") as it may determine, and the Applicant may disclose such Additional Information, including material changes, by the method and in the time most reasonably practicable in the circumstances as determined by the Applicant. Without limiting the generality of the foregoing, if any material change or material fact arises between the date of this Order and the date of the Meeting, which change or fact, if known prior to mailing of the Information Circular, would have been disclosed in the Information Circular, then:

(a) the Applicant shall advise the Voting Unitholders of the material change or material fact by disseminating a news release (a "**News Release**") in accordance with applicable securities laws and the policies of the Toronto Stock Exchange; and

(b) provided that the News Release describes the applicable material change or material fact in reasonable detail, the Applicant shall not be required to deliver an amendment to the Information Circular to the Voting Unitholders or otherwise give notice to the Voting Unitholders of the material change or material fact other than dissemination and filing of the News Release as aforesaid.

Solicitation of Proxies

17. The Applicant is authorized, at its expense, to solicit proxies, directly and through their officers and trustees, and through such agents or representatives as the Applicant may retain for that purpose and such solicitation may be by mail or such other forms of personal and electronic communication as it may determine.

Dissent Rights

18. Registered Unitholders are, subject to the provisions of this Order and Arrangement, accorded the right to dissent under section 191 of the *ABCA* with respect to the Arrangement Resolution, as if such Unitholders were the shareholders of a body corporate incorporated pursuant to the *ABCA*, as modified and supplemented by this Order and the Arrangement and to be paid the fair value of their Units by the REIT in respect of which such right to dissent was validly exercised.

19. Holders of SVUs shall have no right of dissent with respect to the Arrangement Resolution or any other matter pertaining to the Arrangement.

20. In order for a registered Unitholder (a "**Dissenting Unitholder**") to exercise such right to dissent under section 191(5) of the *ABCA*:

(a) the Dissenting Unitholder's written objection to the Arrangement Resolution must be received by the Applicant, c/o DLA Piper (Canada) LLP, Attention: Jarrod Isfeld, Suite 1000, Livingston Place West, 250 2nd St SW, Calgary, AB T2P 0C1 by not later than 5:00 p.m. (Mountain Time time), two business days immediately preceding the date of the Meeting;

(b) a vote against the Arrangement Resolution, whether in person or by proxy, or an abstention, shall not constitute a written objection to the Arrangement Resolution as required under paragraph 20(a) herein;

(c) a Dissenting Unitholder shall not have voted his or her Units at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution;

(d) a Unitholder may not exercise the right to dissent in respect of only a portion of the Unitholder's Units, but may dissent only with respect to all of the Units held by the Unitholder; and

(e) the exercise of such right to dissent must otherwise comply with the requirements of section 191 of the *ABCA*, as modified and supplemented by this Order and the Arrangement.

21. The fair value of the consideration to which a Dissenting Unitholder is entitled pursuant to the Arrangement shall be determined as of the close of business on the last business day before the day on which the Arrangement Resolution is approved by the Unitholders and shall be paid to the Dissenting Unitholders by the REIT as contemplated by the Arrangement and this Order.

22. Dissenting Unitholders who validly exercise their right to dissent, as set out in paragraphs 18 to 21 above, and who:

(i) are determined to be entitled to be paid the fair value of their Units, shall be deemed to have had such Units redeemed by the REIT as of the effective time of the Arrangement (the "**Effective Time**"), without any further act or formality and free and clear of all liens, claims and encumbrances in exchange for the fair value of the Units; or

(ii) are, for any reason (including, for clarity, any withdrawal by any Dissenting Unitholder of their dissent) determined not to be entitled to be paid the fair value for their Units shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Unitholder and such Units will be deemed to be exchanged for the consideration under the Arrangement,

but in no event shall the REIT or any other person be required to recognize such Unitholders as holders of Units after the Effective Time, and the names of such Unitholders shall be removed from the register of Units.

23. Subject to further order of this Court, the rights available to Unitholders under the *ABCA* and the Arrangement to dissent from the Arrangement Resolution shall constitute full and sufficient dissent rights for the Unitholders with respect to the Arrangement Resolution.

24. Notice to the Unitholders of their right to dissent with respect to the Arrangement Resolution and to receive, subject to the provisions of the *ABCA* and the Arrangement, the fair value of the consideration to which a Dissenting Unitholder is entitled pursuant to the Arrangement shall be sufficiently given by including information with respect to this right as set forth in the Information Circular which is to be sent to Unitholders in accordance with paragraph 25 of this Order.

Notice

25. The Information Circular, substantially in the form attached as Exhibit "A" to the Affidavit, with such amendments thereto as counsel to the Applicant may determine necessary or desirable (provided

such amendments are not inconsistent with the terms of this Order), and including the Notice of the Meeting, the Proxy, and this Order, together with any other communications or documents determined by the Applicant to be necessary or advisable including the Letter of Transmittal (collectively, the "**Meeting Materials**"), shall be sent to Voting Unitholders who hold Units or SVUs, as of the Record Date, the members of the board of trustees of the REIT, and the auditors of the REIT:

(a) in the case of registered Voting Unitholders, by pre-paid first class or ordinary mail, by courier or by delivery in person, addressed to each such holder at his, her or its address, as shown on the books and records of the REIT, or its registrar or transfer agent, as of the Record Date not later than 21 days prior to the Meeting;

(b) in the case of non-registered Voting Unitholders, by providing sufficient copies of the Meeting Materials to intermediaries, in accordance with National Instrument 54 -101 – *Communication With Beneficial Owners of Securities of a Reporting Issuer*;

(c) by email or facsimile transmission (collectively, "**Electronic Transmission**") to any registered Voting Unitholder who identifies himself, herself, or itself to the satisfaction of the REIT, acting through its representatives, who requests such Electronic Transmission; and

(d) in the case of the trustees and auditors of the REIT, by email, pre-paid first class or ordinary mail, by courier or by delivery in person, addressed to the individual trustees or firm of auditors, as applicable, not later than 21 days prior to the date of the Meeting.

26. Delivery of the Meeting Materials in the manner directed by this Order shall be deemed to be good and sufficient service upon the Voting Unitholders, the trustees or directors, as applicable, and auditors of the Applicant and the Registrar of:

(a) the Originating Application;

(b) this Order;

(c) the Notice of the Meeting; and

(d) the Notice of Originating Application.

Final Application

27. Subject to further order of this Court, and provided that the Voting Unitholders have approved the Arrangement in the manner directed by this Court and the trustees or directors of the Applicant have not revoked their approval, the Applicant may proceed with an application for a final Order of the Court approving the Arrangement (the "**Final Order**") on 2:00 p.m. on November 29, 2024, (Mountain time) or so soon thereafter as counsel may be heard. Subject to the Final Order and to

the issuance of the proof of filing of the articles of arrangement, the Applicant, all Unitholders and all other persons affected will be bound by the Arrangement in accordance with its terms.

28. Any Unitholder or other interested party (each an "**Interested Party**") desiring to appear and make submissions at the application for the Final Order is required to file with this Court and serve upon the Applicant, on or before 4:00 p.m. (Mountain time) on November 27, 2024, a notice of intention to appear ("**Notice of Intention to Appear**") including the Interested Party's address for service (or alternatively, a facsimile number for service by facsimile or an email address for service by electronic mail), indicating whether such Interested Party intends to support or oppose the application or make submissions at the application, together with a summary of the position such Interested Party intends to advocate before the Court, and any evidence or materials which are to be presented to the Court. Service of this notice on the Applicant shall be effected by service upon the solicitors for the Applicant, c/o DLA Piper (Canada) LLP, Attention: Jarrod Isfeld, Suite 1000, Livingston Place West, 250 2nd St SW, Calgary, AB T2P 0C1.

29. In the event that the application for the Final Order is adjourned, only those parties appearing before this Court for the Final Order, and those Interested Parties serving a Notice of Intention to Appear in accordance with paragraph 28 of this Order, shall have notice of the adjourned date.

General

30. The Applicant is entitled at any time to seek leave to vary this Order upon such terms and the giving of such notice as this Court may direct.

31. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist this Court in carrying out the terms of this Order.

BB Johnston

_____

Justice of the Court of King's Bench of Alberta

SCHEDULE G
SECTION 191 OF THE ABCA

(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,

(b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,

(b.1) amend its articles under section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in section 15.2(1),

(c) amalgamate with another corporation, otherwise than under section 184 or 187,

(d) be continued under the laws of another jurisdiction under section 189, or

(e) sell, lease or exchange all or substantially all its property under section 190.

(2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.

(3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)

(a) at or before any meeting of shareholders at which the resolution is to be voted on, or

(b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.

(6) An application may be made to the Court after the adoption of a resolution referred to in subsection (1) or (2),

(a) by the corporation, or

(b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5),

to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who

dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.

(8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder

(a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or

(b) within 10 days after the corporation is served with a copy of the application, if a shareholder is the applicant.

(9) Every offer made under subsection (7) shall

(a) be made on the same terms, and

(b) contain or be accompanied with a statement showing how the fair value was determined.

(10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.

(11) A dissenting shareholder

(a) is not required to give security for costs in respect of an application under subsection (6), and

(b) except in special circumstances must not be required to pay the costs of the application or appraisal.

(12) In connection with an application under subsection (6), the Court may give directions for

(a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,

(b) the trial of issues and interlocutory matters, including pleadings and questioning under Part (5) of the *Alberta Rules of Court*,

(c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,

(d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,

(e) the appointment and payment of independent appraisers, and the procedures to be followed by them, the service of documents, and

(f) the burden of proof on the parties.

(13) On an application under subsection (6), the Court shall make an order

(a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,

(b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,

(c) fixing the time within which the corporation must pay that amount to a shareholder, and

(d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(14) On

(a) the action approved by the resolution from which the shareholder dissents becoming effective,

(b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or

(c) the pronouncement of an order under subsection (13),

whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

(15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).

(16) Until one of the events mentioned in subsection (14) occurs,

(a) the shareholder may withdraw the shareholder's dissent, or

(b) the corporation may rescind the resolution,

(c) and in either event proceedings under this section shall be discontinued.

(17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.

(18) If subsection (20) applies, the corporation shall, within 10 days after

(a) the pronouncement of an order under subsection (13), or

(b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,

notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or

(b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.

QUESTIONS MAY BE DIRECTED TO THE PROXY SOLICITATION AGENT

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