



DREAM HARD ASSET ALTERNATIVES TRUST ANNOUNCES INTENTION TO COMMENCE SUBSTANTIAL ISSUER BID

TORONTO, July 18, 2019, DREAM HARD ASSET ALTERNATIVES TRUST (DRA.UN-TSX) (“Dream Alternatives”, the “Trust” or “we”) today announced its intention to commence a substantial issuer bid (the “Offer”) pursuant to which the Trust will offer to purchase up to 4,000,000 of its outstanding units (“Units”) at a purchase price of \$8.00 per Unit in cash (the “Purchase Price”).

Substantial Issuer Bid

On February 20, 2019, coincident with the release of its financial results for the year ended December 31, 2018, the Trust issued a news release outlining its strategic plan to enhance Unitholder value. The Trust’s strategic plan includes continuing the recycling of capital from the disposition of select non-core assets into the Trust’s real estate developments, a commitment to repurchase up to \$100 million of Units over the next three years, the suspension of the Trust’s distribution reinvestment plan and the potential sale by Dream Alternatives Master LP (“**Master LP**”) of its renewable power assets. On April 23, 2019, the Trust provided further details of its strategic plan, including its commitment to maintaining the Trust’s current distribution policy of \$0.40 per Unit on an annual basis.

In order to support the Trust’s commitment to its current distribution policy, the Trust entered into an agreement (the “**Letter Agreement**”) dated April 22, 2019 with Master LP and Dream Asset Management Corporation (“**DAM**”), the Trust’s and Master LP’s asset manager, providing that for the period from April 1, 2019 to December 31, 2020 the management fees payable to DAM pursuant to the Management Agreement will be satisfied by the delivery of up to 3,000,000 Units, valued at \$8.74 per Unit for purposes of determining the number of Units to be issued, subject to the receipt of Toronto Stock Exchange (“**TSX**”) approval and Unitholder approval at the annual meeting of Unitholders held on June 17, 2019. By satisfying the management fees payable under the Management Agreement in Units, the cash requirements of the Trust will be reduced and more cash is expected to be available to the Trust to fund the payment of distributions to Unitholders. The Letter Agreement and the issuance of units to DAM thereunder was approved by the Unitholders on June 17, 2019. The TSX has approved the listing on the TSX of the 3,000,000 Units to be issued and delivered by the Trust under the Letter Agreement.

On April 23, 2019, the Trust also announced that management of the Trust and the Board of Trustees were committed to deploying up to \$100 million towards its Unit buyback program and that the Trust intends to make three offers to Unitholders to repurchase Units in accordance with applicable securities laws, commencing with this Offer and followed by two subsequent offers expected in 2020 for \$30 to \$35 million of Units at prices of at least \$8.25 and \$8.50, respectively, for a total buyback of \$100 million Units prior to the end of 2020. The exact number of Units that the Trust offers to purchase and the timing of such purchases will be determined by the Trust at the time of launching of such offers, subject to the receipt of the expected proceeds from the capital recycling program and the trustees’ obligations to act in the best interests of the Unitholders. The



Trust is currently also in various stages of negotiations in respect of the sale of non-core assets representing approximately \$75 to \$80 million of equity.

Consistent with this strategy, the Board of Trustees has authorized the commencement of the Offer. The Board of Trustees believes the Offer is a prudent use of our financial resources given our business profile and assets, the current market price of the Units and our cash requirements. The Offer provides Dream Alternatives with the opportunity to return up to \$32 million of capital to Unitholders who elect to tender while at the same time increasing the proportionate Unit ownership of Unitholders who elect not to tender. The Offer is also intended to reduce unitholdings of less than 100 Units in order to reduce our ongoing costs.

The Purchase Price represents a 24% premium over the closing price of the Units on the TSX on February 19, 2019, the last full trading day prior to the Trust's announcement of its strategic plan to enhance Unitholder value and an 11% premium over the closing price of the Units on the TSX on April 22, 2019, the last full trading day prior to the Trust's announcement of its intention to make the Offer and two subsequent offers in 2020 for \$30 to \$35 million of Units at prices of at least \$8.25 and \$8.50, respectively.

Details of the Offer, including instructions for tendering Units to the Offer and the factors considered by the Board of Trustees in making its decision to approve the Offer, will be included in the formal offer to purchase and issuer bid circular and other related documents (the "**Offer Documents**"), which are expected to be mailed to unitholders, filed with applicable Canadian Securities Administrators and made available free of charge on or about July 24, 2019 on SEDAR at www.sedar.com and on the Trust's website at www.dreamalternatives.ca. Unitholders should carefully read the Offer Documents prior to making a decision with respect to the Offer. The Offer will not be conditional on any minimum number of Units being tendered, but will be subject to various other conditions that are typical for a transaction of this nature.

The Offer will expire at 5 p.m. Eastern time on the 36th day after the mailing of the Offer Documents, unless terminated or extended by the Trust. If more than 4,000,000 Units are properly tendered to the Offer, the Trust will take-up and pay for the tendered Units on a *pro-rata* basis according to the number of Units tendered, except that "odd lot" tenders (of holders beneficially owning fewer than 100 Units) will not be subject to pro-ration. Assuming that 4,000,000 Units are purchased pursuant to the Offer, the aggregate purchase price pursuant to the Offer will be \$32,000,000. The Trust intends to fund the Offer with a combination of cash on hand and existing credit facilities.

Our Board of Trustees has obtained an opinion from Desjardins Capital Markets to the effect that, based on and subject to the assumptions and limitations stated in such opinion, there is a liquid market for our Units as of July 18, 2019 and it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for unitholders who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. A copy of the opinion of Desjardins Capital Markets will be included in the Offer Documents.



Our Board of Trustees has authorized the making of the Offer. However, our Board of Trustees is not making any recommendation to any Dream Alternatives unitholder as to whether to tender or refrain from tendering their Units under the Offer. Unitholders are strongly urged to consult their own financial, tax and legal advisors and to make their own decisions whether to tender or to refrain from tendering their Units to the Offer and, if so, how many Units to tender.

The Trust was authorized by the TSX to purchase up to 6,066,081 Units pursuant to a normal course issuer bid (the “NCIB”) that commenced on January 15, 2019 and expires on January 14, 2020. Since January 15, 2019, the Trust has purchased 876,984 Units through the NCIB. There will be no further purchases of Units under the NCIB until after the expiry of the Offer or date of termination of the Offer.

Any questions or requests for information may be directed to Computershare Trust Company of Canada, as the depositary for the Offer, at 1-800-564-6253 (Toll Free).

About Dream Hard Asset Alternatives Trust

Dream Alternatives provides an opportunity for Unitholders to invest in hard asset alternative investments including: income properties, real estate development and real estate lending, managed by an experienced team with a successful track record in these areas. The objectives of Dream Alternatives are to build and maintain a growth-oriented portfolio, provide predictable cash distributions to unitholders on a tax efficient basis, and grow and reposition the portfolio to increase NAV per Unit over time. For more information, please visit: www.dreamalternatives.ca.

Forward looking information

This press release may contain forward-looking information within the meaning of applicable securities legislation, including statements regarding our strategic plan in general, our intention to undertake the Offer and the terms thereof, including the maximum number of Units we may purchase under the Offer, the expected expiration time of the Offer, the sources and availability of funding for the Offer, the market for the Units after completion of the Offer not being materially less liquid than the market that exists at the time of the making of the Offer, our expectations for future purchases of additional Units following the expiry of the Offer, our commitment to maintaining the Trust’s current distribution policy, our unit buyback program (including the amounts to be deployed, the timing, price and size of any offers to Unitholders), the effects of paying management fees under the Management Agreement in Units on our cash flows and our ability to pay distributions, our expectations regarding our capital recycling programs and our expectations regarding the potential sale of non-core assets. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Trust’s control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, general and local economic and business conditions including foreign exchange rates, employment levels, mortgage and interest rates and regulations, the uncertainties around the timing and amount of future financings, regulatory risks,



environmental risks, consumer confidence, the financial condition of tenants and borrowers, local real estate conditions, adverse weather conditions and variability in wind conditions and solar irradiation, reliance on key clients, partners and personnel, the uncertainties of acquisitions and new projects, inflation and competition. Our objectives and forward-looking statements are based on certain assumptions, including that the general economy remains stable, interest rates remain stable, conditions within the real estate market remain consistent, competition for acquisitions remains consistent with the current climate and that the capital markets continue to provide ready access to equity and/or debt. All forward-looking information in this press release speaks as of the date of this press release. The Trust does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise except as required by law. Additional information about these assumptions and risks and uncertainties is contained in the Trust's filings with securities regulators, including its latest annual information form and management's discussion and analysis. These filings are also available at Dream Alternatives' website at www.dreamalternatives.ca.

Non-IFRS Measures

The Trust's consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). In this press release, as a complement to results provided in accordance with IFRS, the Trust discloses certain non-IFRS financial measures such as NAV and NAV per unit. These non-IFRS measures are not defined by IFRS, do not have a standardized meaning and may not be comparable with similar measures presented by other issuers. The Trust has presented such non-IFRS measures as management believes they are relevant measures of the Trust's underlying operating and financial performance and debt management. Non-IFRS measures should not be considered as alternatives to Unitholders' equity, net income or comparable metrics determined in accordance with IFRS as indicators of the Trust's performance, liquidity, cash flow, and profitability. For a full description of these measures and, where applicable, a reconciliation to the most directly comparable measure calculated in accordance with IFRS, please refer to the "Non-IFRS Measures and Other Disclosures" sections in the Trust's management's discussion and analysis for the year ended December 31, 2018 and in the Trust's management's discussion and analysis for the three months ended March 31, 2019.

For further information, please contact:

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