

Dream Alternatives Announces First Accretive Renewable Power Acquisitions, Accretive Loan Investments & Approval of September 2014 Distribution

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TORONTO, JULY 29, 2014, Dream Hard Asset Alternatives Trust (TSX: DRA.UN) (“Dream Alternatives” or the “Trust”) announced today that it has agreed to make its first renewable power investments which are expected to generate over a 12% return on \$20.1 million of invested equity. In addition, the Trust has agreed to advance approximately \$30.0 million of new mortgages which will generate interest in the range of 6.0% to 10.0% on an annual basis. All of the transactions are expected to be accretive to the Trust’s current cash flows, and are in line with the stated portfolio strategy and objectives of the Trust.

The Trust also announced that the Board of Trustees has appointed Mr. David Kaufman as Chair of the Board effective immediately and has declared a monthly distribution of \$0.0333 per unit payable on September 15, 2014 to the unitholders of record on August 29, 2014.

“We believe the Trust is on track or better than what we modeled in our underwriting prior to the closing of the reorganization. We are pleased with the assets that have been transferred to Dream Alternatives,” said Michael Cooper, Portfolio Manager. “We are actively pursuing opportunities to repatriate capital from existing investments in order to re-invest the proceeds in hard asset alternative investments that we believe will increase the Trust’s cash flow and value.”

Details on the Renewable Power Acquisition

The Trust has conditionally agreed to acquire interests into two Ontario rooftop solar projects and two Nova Scotia community wind projects owned or arranged by its asset manager, Dream Asset Management Corp. (“DAM”) at its out-of-pocket cost. To date, DAM has invested \$4.7 million of equity and \$1.6 million in letters of credit in these projects. The total equity investment required by the Trust for this portfolio of renewable power projects (including the \$4.7 million) is expected to be \$20.1 million, which will be substantially funded by December 2014. The transaction has been conditionally approved by the Board of Trustees of Dream Alternatives provided that the Trust receives independent valuations for these renewable power projects confirming that the current fair market value of these projects are at least equal to the cost provided by DAM.

The projects are currently in various stages of development and operation. By August 2015, it is expected that all four projects will be operational, providing an estimated cash-on-cash yield of 12.4% on the \$20.1 million of equity invested by the Trust over the entire contract term of 20 years. Prior to August 2015, the expected cash-on-cash yield is expected to be in the range of 6.6% to 6.8%. Each of these acquisitions is subject to the satisfaction of customary conditions. Each of the Ontario solar projects have a FIT contract that allows for the sale of solar electricity to the Ontario Power Authority for a fixed price for a term of 20 years. Each of the Nova Scotia wind projects has a Community Feed-in Tariff (“ComFIT”) contract which provides for the sale of electricity to Nova Scotia Power Inc. (Nova Scotia’s regulated utility) at a fixed price for a term of 20 years. Accordingly, the cash flows generated from these projects increase the secure, long term cash flow generation ability of the Trust and significantly reduces the Trust’s re-investment risk. Three of the four projects have community or aboriginal partners and will benefit from participation in development and a share in project cash flows

Details of the individual projects are noted in the table below.

Project	Contract Term with Provincial Regulated Utility	Commercial Operation Date	Share of Capacity (MW)	Total Equity Requirement - millions
Ontario Rooftop Solar	20 Years	Jan 2014	0.7	\$3.5
Ontario Rooftop Solar	20 Years	Dec 2014	1.7	\$6.0
Nova Scotia ComFIT Wind	20 Years	Aug 2015	10.6	\$7.9
Nova Scotia ComFIT Wind	20 Years	Dec 2014	3.1	\$2.7
Total			16.1	\$20.1

Mortgage Loan Investments

Since the Trust's creation on July 8, 2014, it has entered into commitments to advance \$30.0 million of mortgages at interest rates ranging from 6.0% to 10.0%. Details of three of the larger mortgages (at the Trust's proportionate share) are detailed below:

- \$14.1 million first mortgage construction loan for a term of 18 months to a Vancouver-based developer. The loan bears interest at 6.0% per annum. The loan is secured by a 6,100 square foot site in the eastern edge of Gastown, on which a substantially pre-sold nine storey condominium project will be constructed containing 61 residential units and ground floor retail space.
- \$8.5 million, which begins as a first mortgage and ranks behind a construction mortgage if not previously repaid. The term of the loan is for up to 24 months and the interest rate is 9.0%. The loan is secured by a student residence condominium project that is 97% pre-sold.
- \$4.5 million second mortgage on a development site in midtown Toronto. The loan bears interest at 10.0% for a term of three years.

Revolving Credit Facility

As previously disclosed in the final prospectus, Dream Alternatives, through its subsidiary Dream Alternatives Master LP has secured a line of credit facility from a Canadian financial institution. The total facility is for a maximum of \$50.0 million. It is Management's intention to use the operating line so that the Trust is not required to maintain cash reserves and to bridge potential timing gaps between making new investments and the repayment of existing ones. Management does not intend to use the line to increase the Trust's overall leverage.

Appointment of Chair Person

The Trust is pleased to announce the appointment of Mr. David Kaufman as Chair of the Board of Trustees effective immediately. Mr. Kaufman is the President and CEO of Westcourt Capital Corporation and has more than 20 years of experience in the legal, real estate and investment industries. After graduating from the University of Toronto's Faculty of Law, Mr. Kaufman gained his real estate and private equity experience with Magna Golf Club, Menkes Developments and Lynx Equity. Mr. Kaufman then founded Westcourt Capital in 2009 with a focus on sourcing and conducting due diligence on capital-protecting alternative investment managers and funds. Mr. Kaufman is a member of the Law Society of Upper Canada and is a CAIA (Chartered Alternative Investment Analyst) charter holder. Mr. Kaufman writes a bi-weekly column, "Alternative Investor", for the Financial Post, and is a regular contributor and co-host on CBC's Lang & O'Leary Exchange. Mr. Kaufman was also a regular host of BNN's "Alternative Investing". Mr. Kaufman is an Independent Board Chair.



Approved Distributions for September, 2014

The Board has approved a monthly distribution payable on September 15, 2014 in the amount of \$0.0333 per unit. The distribution will be paid to unitholders of record on August 29, 2014.

A conference call for the Trust will be hosted by Michael Cooper at 4pm EST on July 29, 2014. Call in details are below:

Tuesday, July 29, 2014 at 4:00pm. (ET)
Dial: For Canada and USA please dial: 1-866-229-4144
For International please dial: 416-216-4169
Passcode: 7814 977#

About Dream Alternatives:

Dream Alternatives Trust provides an opportunity for unitholders to invest in diversified hard asset alternative investments, including real estate, real estate loans and infrastructure, including renewable power, managed by an experienced team with a successful track record in these areas. The objectives of the Trust are to provide predictable and sustainable cash distributions to unitholders on a tax efficient basis, and re-position and grow its assets to increase the value of its business and its distributions to unitholders 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. 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 Dream Hard Asset Alternatives Trust or DREAM'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, employment levels, regulatory risks, mortgage rates and regulations, environmental risks, consumer confidence, seasonality, adverse weather conditions, reliance on key clients and personnel and competition. All forward looking information in this press release speaks as of July 29, 2014. DREAM or Dream Hard Asset Alternatives Trust does not undertake to update any such forward looking information whether as a result of new information, future events or otherwise. Additional information about these assumptions and risks and uncertainties is disclosed in filings with securities regulators filed on SEDAR (www.sedar.com).

For further information please contact:

DREAM HARD ASSET ALTERNATIVES TRUST

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