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C2C INDUSTRIAL PROPERTIES INC.

**NOTICE OF SPECIAL MEETING OF COMMON SHAREHOLDERS
TO BE HELD ON JULY 18, 2013**

AND

**MANAGEMENT INFORMATION CIRCULAR
JUNE 18, 2013**

C2C INDUSTRIAL PROPERTIES INC.

NOTICE OF SPECIAL MEETING

To be held on July 18, 2013

NOTICE IS HEREBY GIVEN that a special meeting (the “**Meeting**”) of the common shareholders (“**Common Shareholders**”) of C2C Industrial Properties Inc. (the “**Corporation**”) will be held at the offices of Dundee Industrial Real Estate Investment Trust, Suite 301, 30 Adelaide Street East, Toronto, Ontario, M5C 3H1, on Thursday, July 18, 2013 at 10:00 a.m. (Toronto time), for the purpose of considering and, if thought advisable, to pass a special resolution (the “**Amalgamation Resolution**”) (the text of which is set out in Appendix A to the accompanying management information circular) authorizing and approving the amalgamation (the “**Amalgamation**”) of the Corporation and Dundee Industrial Atlantic Acquisition Inc. (“**Dundee Industrial Atlantic**”) substantially upon the terms and conditions set forth in the amalgamation agreement (the “**Amalgamation Agreement**”) between the Corporation and Dundee Industrial Atlantic attached as Appendix B to the accompanying management information circular.

A form of proxy solicited by the management of the Corporation in respect of the Meeting is enclosed herewith, together with a management information circular relating to the business to be conducted at the Meeting and a letter of transmittal.

Common Shareholders unable to be present at the Meeting are requested to complete and sign the enclosed form of proxy and return it to the Corporation’s registrar and transfer agent, Equity Transfer Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1 on or before 5:30 p.m. (local time) on July 16, 2013.

Pursuant to Section 185 of the *Business Corporations Act* (Ontario) (the “**Act**”), a registered Common Shareholder is entitled to dissent in respect of the Amalgamation Resolution. If the Amalgamation is completed, dissenting Common Shareholders who have complied with the dissent procedures under Section 185 of the Act are entitled to be paid the fair value of their Common Shares. This right is summarized in Appendix C to the accompanying management information circular and Section 185 of the Act is set forth in Appendix D to the accompanying management information circular.

Failure to strictly comply with the requirements set forth in Section 185 of the Act may result in the loss of any right to dissent.

Dated the 18th day of June, 2013

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) Randy Cameron
Interim President and Chief Executive Officer

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GLOSSARY OF TERMS

This glossary forms a part of this Circular. In this Circular, unless otherwise specified or the subject matter or context is inconsistent therewith, the following terms shall have the meanings set out below, and grammatical variations thereof shall have the corresponding meanings:

“**Act**” means the *Business Corporations Act* (Ontario), as amended from time to time.

“**affiliate**” means an affiliate body corporate within the meaning of section 1(4) of the Act.

“**Amalco**” means the corporation continuing as a result of the Amalgamation.

“**Amalco Common Shares**” means the common shares in the capital of Amalco to be issued on the Amalgamation, the terms of which are set out in Schedule A to the Amalgamation Agreement.

“**Amalco Redeemable Preference Shares**” means the Redeemable Preference Shares in the capital of Amalco, the rights, privileges, restrictions and conditions of which are set out in Schedule A to the Amalgamation Agreement.

“**Amalgamation**” means the amalgamation of the Corporation and Dundee Industrial Atlantic pursuant to the Amalgamation Agreement.

“**Amalgamation Agreement**” means the amalgamation agreement between the Corporation and Dundee Industrial Atlantic set forth in Appendix B to this Circular providing for the Amalgamation.

“**Amalgamation Resolution**” means the special resolution of the Common Shareholders concerning the Amalgamation to be considered at the Meeting, substantially in the form set forth in Appendix A to this Circular.

“**Board of Directors**” means the board of directors of the Corporation.

“**Broadridge**” means Broadridge Investor Communication Solutions.

“**Business Day**” means any day (other than a Saturday or Sunday) on which commercial banks located in Toronto, Canada are open for the conduct of business.

“**Circular**” means this management information circular.

“**Common Shareholders**” means the holders of Common Shares.

“**Common Shares**” means the common shares in the capital of the Corporation.

“**Convertible Debentures**” means the \$20,125,000 outstanding principal amount of 6.75% convertible unsecured subordinated debentures due November 30, 2017 of the Corporation.

“**Convertible Securities**” means the Convertible Debentures and Warrants.

“**Corporation**” means C2C Industrial Properties Inc., a corporation existing under the laws of the Province of Ontario.

“**Corporation AIF**” means the annual information form of the Corporation dated September 17, 2012.

“**CRA**” means the Canada Revenue Agency.

“**Dissenting Common Shareholder**” means a registered Common Shareholder who, in connection with the Amalgamation Resolution, has exercised the right to dissent pursuant to Section 185 of the Act in strict compliance with the provisions thereof and thereby becomes entitled to receive the fair value of the Common Shares held by that Common Shareholder.

“**DILP**” means Dundee Industrial Limited Partnership, a limited partnership formed under the laws of the Province of Ontario, and a subsidiary of Dundee Industrial REIT.

“**Dundee Industrial Atlantic**” means Dundee Industrial Atlantic Acquisition Inc., a corporation existing under the laws of the Province of Ontario, and a wholly-owned subsidiary of DILP.

“**Dundee Industrial REIT**” means Dundee Industrial Real Estate Investment Trust, a trust established under the laws of the Province of Ontario.

“**Dundee Industrial REIT AIF**” means the annual information form of Dundee Industrial REIT dated April 1, 2013.

“**Dundee Industrial REIT Units**” means the units of Dundee Industrial REIT (other than special trust units).

“**DRIP**” means the distribution reinvestment plan of Dundee Industrial REIT.

“**Effective Date**” means the date shown on the certificate of amalgamation to be issued in respect of the Amalgamation, which date is anticipated to be July 19, 2013.

“**Letter of Transmittal**” means the letter of transmittal (printed on GREEN paper) in the form accompanying this Circular, or a manually signed facsimile thereof.

“**LP B Units**” means the Class B limited partnership units of DILP.

“**Management**” means the management of the Corporation.

“**Meeting**” means the special meeting of Common Shareholders to be held on July 18, 2013 or such later date as may be determined by the Board of Directors.

“**MI 61-101**” means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, as amended or replaced from time to time.

“**Notice of Meeting**” means the notice of the Meeting accompanying this Circular.

“**Offer**” means the offer by Dundee Industrial Atlantic dated April 5, 2013 to acquire all of the issued and outstanding Common Shares in consideration for 0.4485 Dundee Industrial REIT Units per Common Share.

“**Offer Circular**” means the take-over bid circular of Dundee Industrial Atlantic dated April 5, 2013.

“**OSC**” means the Ontario Securities Commission.

“**Record Date**” means May 29, 2013, the record date for determining Common Shareholders entitled to receive notice of and vote at the Meeting.

“**Redemption**” means the redemption by Amalco of each outstanding Amalco Redeemable Preference Share on the Effective Date in consideration for 0.4485 Dundee Industrial REIT Units per Amalco Redeemable Preference Share.

“**Regulations**” has the meaning ascribed to that term in the section “*Certain Canadian Federal Income Tax Considerations*”.

“**REIT Exception**” means the exception under the SIFT Legislation applicable to certain real estate investment trusts that satisfy certain specified conditions relating to the nature of their income and investments.

“**SEC**” means the United States Securities and Exchange Commission.

“**Share Certificates**” means certificates representing Common Shares.

“**SIFT**” means a specified investment flow-through trust or partnership for purposes of the Tax Act.

“**SIFT Legislation**” means the provisions of the Tax Act that apply to a SIFT, taking into account all Tax Proposals with respect to such provisions, including the proposals released on October 24, 2012 and contained in Bill C-48, which received second reading in the Senate on June 6, 2013.

“**Special Committee**” means the former independent special committee of the Board of Directors established on January 28, 2013.

“**Support Agreement**” means the support agreement dated March 19, 2013 entered into among Dundee Industrial REIT, Dundee Industrial Atlantic and the Corporation.

“**Tax Act**” means the *Income Tax Act* (Canada), R.S.C. 1985, c.1, as amended.

“**Tax Proposals**” has the meaning ascribed to that term in the section “*Certain Canadian Federal Income Tax Considerations*”.

“**TSX**” means the Toronto Stock Exchange.

“**TSXV**” means the TSX Venture Exchange.

“**Warrants**” means outstanding warrants to acquire Common Shares.

NOTICE TO HOLDERS OF CONVERTIBLE SECURITIES

If a holder of Convertible Securities does not exercise, exchange or convert such Convertible Securities before the Effective Date, such Convertible Securities will remain outstanding in accordance with their terms and conditions. After completion of the Amalgamation, Convertible Securities will be exercisable for or convertible into Amalco Redeemable Preference Shares in accordance with the terms of the Convertible Securities and, upon issuance, each Amalco Redeemable Preference Share will be immediately redeemed for 0.4485 Dundee Industrial REIT Units. For Canadian income tax purposes, the exercise or conversion of Convertible Securities for or into Amalco Redeemable Preference Shares and immediate redemption for Dundee Industrial REIT Units will be a taxable event.

The tax consequences to holders of Convertible Securities of exercising or converting such securities are not described in this Circular. Holders of Convertible Securities should consult their tax advisors for advice with respect to the potential income tax consequences to them in connection with the decision as to whether to exercise or convert such Convertible Securities.

REPORTING CURRENCY

In this Circular, unless otherwise specified, all references to “dollars” or “\$” are to Canadian dollars.

NOTICE TO COMMON SHAREHOLDERS IN THE UNITED STATES

The solicitation of proxies and the transactions contemplated in this Circular involves securities of a Canadian issuer and are being effected in accordance with Canadian corporate and securities laws. This Circular has been prepared in accordance with Canadian disclosure requirements. Common Shareholders should be aware that such requirements are different from those of the United States. The enforcement by investors of civil liabilities under securities laws of jurisdictions outside the United States may be affected adversely by the fact that the Corporation is organized under the laws of the province of Ontario and its directors are residents of countries other than the United States. You may not be able to sue the Corporation or its directors or officers in a Canadian court for violations of United States securities laws. It may be difficult to compel the Corporation and its affiliates to subject themselves to the jurisdiction of a court in the United States or to enforce a judgment obtained from a court in the United States.

The consolidated financial statements of Dundee Industrial REIT incorporated by reference in this Circular have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and are subject to Canadian auditing and auditor independence standards, and thus may not be compared to financial statements prepared in accordance with United States generally accepted accounting principles.

Completion of the Amalgamation and the Redemption described herein may have tax consequences under the laws of both the United States and Canada, and any such tax consequences under the laws of the United States are not described in this Circular. Common Shareholders in the United States are advised to consult with their United States tax advisors to

determine any particular United States federal and state tax consequences to them of the transactions to be effected in connection with the Amalgamation and the Redemption.

The Dundee Industrial REIT Units to be issued to holders of Common Shares in the United States under the terms of the Amalgamation and Redemption will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws and will be issued pursuant to an exemption from such registration requirements. Accordingly, the Dundee Industrial REIT Units issued to Common Shareholders in the United States pursuant to the Amalgamation and Redemption will be “restricted securities” as defined in Rule 144(a)(3) of the U.S. Securities Act and may not be transferred except pursuant to an effective registration statement under the U.S. Securities Act or pursuant to a transaction that is exempt from or not subject to the registration requirements of the U.S. Securities Act. Certificates representing the Dundee Industrial REIT Units issued to Common Shareholders in the United States will bear a legend to that effect.

THE AMALAGAMATION AND REDEMPTION HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITIES IN ANY STATE, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES IN ANY STATE PASSED UPON THE FAIRNESS OR MERITS OF THE AMALGAMATION AND REDEMPTION OR UPON THE ADEQUACY OR ACCURACY OF THE INFORMATION CONTAINED IN THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FORWARD-LOOKING STATEMENTS

All statements, other than statements of historical fact, are forward-looking statements. The words “believe”, “expect”, “will”, “anticipate”, “contemplate”, “target”, “plan”, “continue”, “budget”, “may”, “intend”, “estimate” and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The Corporation, Dundee Industrial REIT and Dundee Industrial Atlantic caution the reader that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of the Corporation, Dundee Industrial REIT and Dundee Industrial Atlantic to be materially different from respective estimated future results, performance or achievements of the Corporation, Dundee Industrial REIT or Dundee Industrial Atlantic expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future performance. These risks, uncertainties and other factors include, but are not limited to risks associated with the ownership of immovable property, access to capital, current global financial conditions, competition in the real estate sector, property acquisitions and developments, dependence on key personnel, potential conflicts of interest, general uninsured losses, governmental regulation, limits on activities and debt financing. While the Corporation, Dundee Industrial REIT and Dundee Industrial Atlantic believe that the expectations reflected in the forward-looking statements contained herein, and in the documents incorporated by reference herein, are reasonable, no assurance can be given that these expectations will prove to be correct, and such forward-looking statements included in, or incorporated by reference in such documents should not be unduly

relied upon. These statements speak only as of the date hereof or as of the date specified in the documents incorporated by reference herein, as the case may be. Certain of these factors are discussed in greater detail in this Circular and in management's discussion and analysis of the financial condition and results of operations of the Corporation for the three month and year ended December 31, 2012 and in the annual information form of Dundee Industrial REIT dated April 1, 2013 each filed with the Canadian provincial securities regulatory authorities and available electronically at www.sedar.com.

The Corporation disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, further events or otherwise, except as required by applicable law.

RISK FACTORS

In considering the Amalgamation, Common Shareholders should carefully consider the risk factors contained in or incorporated by reference in this Circular. See "*Risk Factors*".

QUESTIONS AND REQUESTS FOR ASSISTANCE

Questions and requests for assistance may be directed to Equity Financial Trust Company and additional copies of this document and the accompanying Letter of Transmittal and proxy may be obtained without charge on request from Equity Financial Trust Company at its office shown on the last page of this document.

GENERAL PROXY INFORMATION

Solicitation and Voting of Proxies

The accompanying proxy is solicited by Management for use at the Meeting to be held at 10:00 a.m. (Toronto time) on July 18, 2013 at the offices of Dundee Industrial REIT, Suite 301, 30 Adelaide Street East, Toronto, Ontario, M5C 3H1 and for any adjournments or postponements of the Meeting.

The Corporation will bear the cost of the solicitation of proxies, including the preparation, printing and mailing of the Notice of Meeting, this Circular and the accompanying Letter of Transmittal and form of proxy. The Corporation will furnish copies of the Notice of Meeting, this Circular and the accompanying Letter of Transmittal and form of proxy to banks, brokers, fiduciaries and custodians holding Common Shares in their names on behalf of beneficial Common Shareholders so that they may forward these meeting materials to the Corporation's beneficial Common Shareholders.

The solicitation of proxies will be made by mail. Record holders such as brokerage houses, nominees, fiduciaries or other custodians are requested to forward the Notice of Meeting, this Circular and the accompanying Letter of Transmittal and form of proxy to beneficial Common Shareholders who do not hold their Common Shares in their own name and to request authority for the exercise of proxies, and, upon request of such record Common Shareholders, they will be reimbursed for their reasonable expenses incurred in sending these meeting materials to beneficial Common Shareholders.

The Board of Directors has fixed May 29, 2013 as the Record Date for determining those Common Shareholders who shall be entitled to receive notice of and to vote at the Meeting.

To be effective, proxies must be received by Equity Financial Trust Company not later than 5:30 p.m. (local time) on July 16, 2013, or, if the Meeting is adjourned or postponed, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the adjourned or postponed Meeting, or any further adjournment or postponement thereof.

The execution or exercise of a proxy does not constitute a written objection for the purposes of Common Shareholder dissent rights as further described under the heading "*Special Business to be Conducted at the Meeting – Right to Dissent*".

Purpose of the Meeting

As described in more detail in this Circular, the purpose of the Meeting is to:

1. consider and, if deemed advisable, pass, with or without amendment, the Amalgamation Resolution (the full text of which is set out in Appendix A to this Circular) approving the Amalgamation of the Corporation with Dundee Industrial Atlantic substantially upon the terms and conditions set out in the Amalgamation Agreement attached as Appendix B to this Circular;
2. consider and act on other business as may properly come before the Meeting or any postponement or adjournment thereof.

Advice to Beneficial Common Shareholders

The information set forth in this section is of significant importance to many Common Shareholders, as a substantial number of Common Shareholders do not hold Common Shares in their own name.

Beneficial Common Shareholders should note that only proxies deposited by Common Shareholders whose names appear on the records of the Corporation as registered Common Shareholders can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Common Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Common Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Common Shareholder's broker or a nominee of that broker. In Canada, the vast majority of these Common Shares are registered under the name of CDS & CO. (the registration name for CDS Clearing and Depository Services Inc.), which acts as nominee for many Canadian brokerage firms. Common Shares held by brokers or their nominees can only be voted upon the instructions of the beneficial Common Shareholder.

Applicable regulatory policy requires brokers to seek voting instructions from beneficial shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by beneficial Common Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a beneficial Common Shareholder by his/her broker is identical to the form of proxy provided by the Corporation to the registered Common Shareholders. However, its purpose is limited to instructing the registered Common Shareholder how to vote on behalf of the beneficial Common Shareholder. Many brokers now delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge typically prepares a machine-readable proxy form, mails those forms to the beneficial Common Shareholders and asks beneficial Common Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares at the Meeting.

A beneficial Common Shareholder receiving a proxy form from his/her broker or Broadridge cannot use that proxy to vote Common Shares directly at the Meeting. The proxy must be returned to his/her broker or Broadridge, as applicable, sufficiently well in advance of the Meeting in order to have the Common Shares represented by such proxy voted in accordance with the instructions of the beneficial Common Shareholder.

Although a beneficial Common Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or agent of the broker), a beneficial Common Shareholder may attend the Meeting as proxyholder for the registered Common Shareholder and vote the Common Shares in that capacity. Beneficial Common Shareholders who wish to attend at the Meeting and indirectly vote their Common Shares as proxyholder for the registered Common Shareholder, should enter their names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), sufficiently well in advance of the Meeting.

Appointment of Proxy and Discretionary Authority

Common Shareholders have the right to appoint a person, who need not be a Common Shareholder, other than persons designated in the form of proxy accompanying this Circular, as nominee to attend and act for and on behalf of such Common Shareholder at the Meeting and may exercise such right by inserting the name of such person in the blank space provided on the form of proxy.

The form of proxy accompanying this Circular (printed on BLUE paper) confers discretionary authority upon the proxy nominees with respect to amendments or variations to the matters identified in the Notice of Meeting and other matters that may properly come before the Meeting.

The persons named in the enclosed form of proxy, who are officers of the Corporation, will vote the Common Shares in respect of which they are appointed in accordance with the directions of the Common Shareholders appointing them.

In the absence of such directions, such Common Shares will be voted **FOR** the approval of the Amalgamation Resolution.

Management of the Corporation knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters which are not now known to Management should properly come before the Meeting, the Common Shares represented by proxies granted to the proxy nominees will be voted on such matters in accordance with the best judgment of the proxy nominee.

Revocation of Proxies

A Common Shareholder giving a proxy has the power to revoke it at any time before it is exercised. Such revocation may be made by the Common Shareholder at the Meeting, by fully executing another form of proxy bearing a later date and duly depositing the same with Equity Financial Trust Company before the specified time for depositing proxies, or by written instrument revoking such proxy duly executed by the Common Shareholder or by his or her attorney authorized in writing or, if the Common Shareholder is a corporation, by an officer or attorney thereof duly authorized, indicating the capacity under which such officer or attorney is signing and deposited either at the registered office of the Corporation at any time up to and including the last Business Day preceding the date of the Meeting, or any adjournment thereof, or with the Chair of the Meeting on the day of the Meeting or any adjournment. A Common Shareholder may also revoke a proxy in any other manner permitted by law.

Quorum and Voting Rights and Approval of Proposals

Two persons present in person, being Common Shareholders or proxy holders, constitutes a quorum for the transaction of business at the Meeting. Common Shares represented by proxies that are marked “against” on any matter will be counted as Common Shares present for purposes of determining the presence of a quorum. Common Shares that are represented by non-votes will also be counted as Common Shares present for purposes of determining the presence of a quorum. If a quorum is not present, the Meeting may be postponed or adjourned to

allow additional time for obtaining additional proxies or votes. At any subsequent reconvening of the Meeting, all proxies will be voted in the same manner as the proxies would have been voted at the original convening of the Meeting, except for any proxies that have been effectively revoked or withdrawn prior to the subsequent meeting.

Each Common Share entitles its owner to one vote on all matters presented at the Meeting. An abstention will not be counted as a vote cast. In addition, Common Shares represented at the Meeting whose votes are withheld on any matter will not be counted as a vote cast. A broker non-vote will also not be counted as a vote cast. A broker non-vote occurs when the broker holding Common Shares for a beneficial Common Shareholder does not vote on a particular proposal because the broker does not have discretionary voting power to vote on that proposal and has not received voting instructions from the beneficial Shareholder for that proposal.

All votes will be tabulated by Equity Financial Trust Company, the proxy tabulator and inspector of election appointed for the Meeting. Equity Financial Trust Company will separately tabulate affirmative and negative votes, abstentions or withheld votes and broker non-votes.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Corporation consists of an unlimited number of Common Shares. As at the close of business on June 18, 2013, 17,498,619 Common Shares were issued and outstanding. Each Common Share carries the right to one vote per Common Share at the Meeting, voting as one class.

The Board of Directors has fixed May 29, 2013 as the record date for the Meeting. Accordingly, pursuant to the Act, only Common Shareholders of record as at the close of business on May 29, 2013 are entitled to receive notice of and to attend and vote at the Meeting.

Principal Common Shareholders

As of the date hereof, to the knowledge of the directors and officers of the Corporation, the only persons who beneficially own, directly or indirectly, or exercise control or direction over shares of a class of voting securities of the Corporation comprising more than 10% of the voting rights attached to such class is:

Common Shares

<u>Name</u>	<u>Type of Ownership</u>	<u>Number of Common Shares Owned or Controlled</u>	<u>Approximate % of Common Shares Outstanding</u>
Dundee Industrial Atlantic	of record and beneficially	16,634,679	95%

The Corporation understands that Dundee Industrial Atlantic currently intends to vote all Common Shares held by it in favour of the Amalgamation Resolution at the Meeting.

SPECIAL BUSINESS TO BE CONDUCTED AT THE MEETING

At the Meeting, the Common Shareholders will be asked to consider and, if thought appropriate, pass the Amalgamation Resolution authorizing the Amalgamation, as the second step transaction to privatize the Corporation after the expiry of the Offer, more fully described in the Offer Circular.

To be effective, the Amalgamation Resolution, the text of which is attached to this Circular as Appendix A, must be passed by: (i) at least 66 2/3% of the votes cast by those Common Shareholders present in person or by proxy at the Meeting; and (ii) a simple majority of the votes cast by “minority” Common Shareholders, as such term is used in MI 61-101. Dundee Industrial Atlantic is permitted to vote the Common Shares acquired under the Offer for the purposes of the approval of the Amalgamation Resolution, including the approval by “minority” Common Shareholders. See “*Special Business to be Conducted at the Meeting – Legal Aspects*”.

Dundee Industrial Atlantic has advised the Corporation that it intends to vote all of the 16,634,679 Common Shares, representing approximately 95% of the issued and outstanding Common Shares, acquired by it under the Offer in favour of the Amalgamation Resolution. **Dundee Industrial Atlantic holds sufficient Common Shares to approve the Amalgamation Resolution in accordance with the foregoing legal requirements.**

Should the Amalgamation Resolution be approved, the Board of Directors will have the authority to effect the Amalgamation pursuant to the terms of the Amalgamation Agreement attached hereto as Appendix B.

Unless otherwise specified by the Common Shareholder executing such proxy, the persons named as proxies in the enclosed form of proxy intend to vote the Common Shares represented by such proxy FOR the Amalgamation Resolution.

Registered Common Shareholders who validly dissent from the Amalgamation Resolution will be entitled to be paid the fair value of their Common Shares, subject to strict compliance with the Act. See “*Special Business to be Conducted at the Meeting – Right to Dissent*”.

Background and Reasons for the Amalgamation

On March 19, 2013, Dundee Industrial REIT, Dundee Industrial Atlantic and the Corporation, entered into the Support Agreement pursuant to which Dundee Industrial REIT agreed to cause Dundee Industrial Atlantic to make an offer to purchase all of the Common Shares and the Board of Directors agreed to recommend to the Common Shareholders that they accept the Offer. On April 5, 2013, Dundee Industrial Atlantic made the Offer and on May 15, 2013, Dundee Industrial Atlantic took up and paid for the 16,634,679 Common Shares deposited pursuant to the Offer, representing approximately 95% of the outstanding Common Shares (and approximately 78.6% of the outstanding Common Shares on a fully diluted basis).

In the Offer Circular, Dundee Industrial Atlantic disclosed its intention, if the Offer was successful, to acquire all of the Common Shares not deposited under the Offer either by means of a compulsory acquisition in accordance with the provisions of Section 188 of the Act, if

available, or a transaction such as the Amalgamation. Dundee Industrial Atlantic has determined to proceed with the Amalgamation and Dundee Industrial Atlantic and the Corporation have entered into the Amalgamation Agreement.

In agreeing to proceed with the Amalgamation, Dundee Industrial Atlantic and the Corporation considered that there would be limited liquidity in the public market for the holders of Common Shares not deposited under the Offer.

Terms of the Amalgamation and Redemption

If the Amalgamation Resolution is approved and the conditions set out in the Amalgamation Agreement are satisfied, on the Effective Date the Corporation and Dundee Industrial Atlantic will amalgamate and continue as one corporation. As a result of the Amalgamation, the property of both the Corporation and Dundee Industrial Atlantic will become the property of Amalco and Amalco will continue to be liable for the obligations of both the Corporation and Dundee Industrial Atlantic. Immediately after the Amalgamation, Amalco will continue to carry on the operations of the Corporation and will have the same assets and liabilities as the Corporation and Dundee Industrial Atlantic.

Effective on the Amalgamation, Common Shareholders (other than Dissenting Common Shareholders and Dundee Industrial Atlantic) will receive one Amalco Redeemable Preference Share for each Common Share held. Each Amalco Redeemable Preference Share will be redeemed immediately following the Amalgamation for 0.4485 Dundee Industrial REIT Units. In addition, each issued and outstanding Common Share held by Dundee Industrial Atlantic will be cancelled without any repayment of capital in respect thereof and each issued and outstanding common share of Dundee Industrial Atlantic will be converted into one Amalco Common Share. DILP will be the only holder of Amalco Common Shares following the Amalgamation.

Pursuant to the Amalgamation, the Warrants and Convertible Debentures will become obligations of Amalco. In accordance with the terms of the Convertible Debentures, following the Amalgamation the Convertible Debentures will become convertible into Amalco Redeemable Preference Shares at the conversion price of \$5.55 per share and, in accordance with the terms of such shares, each Amalco Redeemable Preference Share will be redeemed immediately following its issuance for 0.4485 Dundee Industrial REIT Units. In accordance with the terms of the Warrants, following the Amalgamation each Warrant will entitle the holder to acquire one Amalco Redeemable Preference Share at the exercise price of \$5.00 per share and, in accordance with the terms of such shares, each Amalco Redeemable Preference Share will be redeemed immediately following its issuance for 0.4485 Dundee Industrial REIT Units.

Certain Canadian federal income tax implications of the Amalgamation are discussed in greater detail in this Circular under the heading, "*Certain Canadian Federal Income Tax Considerations*".

Dissenting Common Shareholders will be entitled to be paid the fair value of their Common Shares in accordance with the Act. See "*Special Business to be Conducted at the Meeting – Right to Dissent*".

The Amalgamation Agreement

The following is a summary only of the material provisions of the Amalgamation Agreement and does not purport to be complete and is subject to and is qualified in its entirety by the provisions of the Amalgamation Agreement. Common Shareholders can review the Amalgamation Agreement which is attached as Appendix B to this Circular.

Upon approval at the Meeting, the Amalgamation, which is being carried out pursuant to Sections 175 and 176 of the Act, will be effected in accordance with the Amalgamation Agreement. Subject to obtaining the requisite approvals of the Common Shareholders, satisfaction of all other conditions as provided in the Amalgamation Agreement and the filing of articles of amalgamation, the Amalgamation will become effective on the Effective Date.

The Effective Date of the Amalgamation is expected to be July 19, 2013. On the Effective Date, the Corporation and Dundee Industrial Atlantic will amalgamate and continue as one corporation under the name "DIR Industrial Properties Inc."

On the Effective Date:

- (a) each issued and outstanding Common Share (other than those held by Dissenting Common Shareholders and Dundee Industrial Atlantic) shall be converted into one Amalco Redeemable Preference Share;
- (b) the 16,634,679 issued and outstanding Common Shares held by Dundee Industrial Atlantic shall be cancelled without any repayment of capital in respect thereof; and
- (c) the issued and outstanding common shares of Dundee Industrial Atlantic shall be converted into Amalco Common Shares.

In accordance with the Act, on the Effective Date:

- (a) the Corporation and Dundee Industrial Atlantic are amalgamated and continue as one corporation;
- (b) the Corporation and Dundee Industrial Atlantic cease to exist as entities separate from Amalco;
- (c) Amalco possesses all the property, rights, privileges and franchises and is subject to all liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of each of the Corporation and Dundee Industrial Atlantic;
- (d) a conviction against, or ruling, order or judgement in favour or against the Corporation or Dundee Industrial Atlantic may be enforced by or against Amalco;
- (e) the articles of amalgamation are deemed to be the articles of incorporation of Amalco and the certificate of amalgamation is deemed to be the certificate of incorporation of Amalco; and

- (f) Amalco shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against the Corporation or Dundee Industrial Atlantic before the Amalgamation has become effective.

Immediately after the Amalgamation, Amalco will continue to carry on the operations of the Corporation with the same assets and liabilities.

The Amalgamation Agreement is subject to several conditions, including that:

- (a) Common Shareholders approve the Amalgamation, in accordance with applicable law;
- (b) all necessary governmental or regulatory approvals and consents have been obtained; and
- (c) no change in respect of the Corporation (including a legal proceeding or a change in legislation) has occurred that might make it inadvisable for Dundee Industrial Atlantic to proceed with the Amalgamation.

The Amalgamation Agreement may be terminated by the board of directors of the Corporation or Dundee Industrial Atlantic at any time prior to the issuance of a certificate of amalgamation and notwithstanding the approval of the Amalgamation Resolution by the Common Shareholders or the approval by the shareholder of Dundee Industrial Atlantic.

The Amalgamation Agreement may at any time and from time to time be amended by written agreement of the parties thereto without, subject to applicable law, further notice to or authorization on the part of their respective shareholders and any such amendment may, without limitation: (i) change the time for performance of any of the obligations or acts of the parties thereto; (ii) waive compliance with or modify any of the covenants contained therein or waive or modify performance of any of the obligations of the parties thereto; or (iii) waive compliance with or modify any other conditions precedent contained therein, provided that no such amendment shall change the provisions thereof regarding the consideration to be received by the Common Shareholders for their Common Shares, without approval of such Common Shareholders, given in the same manner as required for the approval of the Amalgamation.

Dissenting Common Shareholders will be entitled to be paid the fair value of their Common Shares in accordance with the Act. For a summary of such dissent rights, see “*Special Business to be Conducted at the Meeting – Right to Dissent*” and Appendix C and Appendix D to this Circular.

Redemption

Upon completion of the Amalgamation on the Effective Date, each issued and outstanding Amalco Redeemable Preference Share will be redeemed in consideration for 0.4485 Dundee Industrial REIT Units. No certificates will be issued in respect of the Amalco Redeemable Preference Shares and such shares will be evidenced by the certificates representing the Common Shares (other than certificates held by Dissenting Common Shareholders). At the effective time of the Amalgamation, share certificates evidencing Common Shares shall cease to

represent any claim upon or interest in the Corporation other than the right of the holder to receive that which is provided for in the Amalgamation Agreement. At the effective time of the Redemption, share certificates evidencing Common Shares shall cease to represent any claim upon or interest in Amalco other than the right of the holder to receive Dundee Industrial REIT Units.

Fractional Entitlements

No fractional Dundee Industrial REIT Units will be issued pursuant to the Redemption. Holders of Amalco Redeemable Preference Shares who would otherwise be entitled to a fraction of a Dundee Industrial REIT Unit will receive a cash payment equal to the product of such fraction of a Dundee Industrial REIT Unit multiplied by the closing price of the Dundee Industrial REIT Units on the TSX on the trading day immediately preceding the Effective Date.

Convertible Securities

Following the Amalgamation, the Convertible Debentures and the Warrants will become obligations of Amalco. In accordance with the terms of the Convertible Debentures, following the Amalgamation the Convertible Debentures will become convertible into Amalco Redeemable Preference Shares at the conversion price of \$5.55 per share and, in accordance with the terms of such shares, each Amalco Redeemable Preference Share will be redeemed immediately following its issuance for 0.4485 Dundee Industrial REIT Units. In accordance with the terms of the Warrants, following the Amalgamation each Warrant will entitle the holder to acquire one Amalco Redeemable Preference Share at the exercise price of \$5.00 per share and, in accordance with the terms of such shares, each Amalco Redeemable Preference Share will be redeemed immediately following its issuance for 0.4485 Dundee Industrial REIT Units.

Upon take-up and payment under the Offer by Dundee Industrial Atlantic, the terms of the Convertible Debentures obligated the Corporation within 30 days of such take up and payment to make an offer to purchase all of the outstanding Convertible Debentures at a price per Convertible Debenture equal to 100% of the principal amount thereof together with accrued and unpaid interest thereon (if any) up to but excluding the date of payment for such Convertible Debentures. On May 21, 2013, the Corporation made such an offer to purchase all of the outstanding Convertible Debentures in accordance with the terms of the Convertible Debentures. The Corporation's offer to purchase the Convertible Debentures will expire on June 26, 2013.

Expenses of the Amalgamation

The Corporation will pay the costs of the Amalgamation including legal, accounting, filing, mailing and printing costs, and the preparation of this Circular. Such costs are expected to aggregate approximately \$412,575.

Board Approval

The Board of Directors has reviewed and approved the Amalgamation and authorized the Corporation to enter into the Amalgamation Agreement as well as the mailing of the Notice of Meeting, this Circular and the accompanying Letter of Transmittal and form of proxy to Common Shareholders.

Legal Aspects

The Amalgamation constitutes a “business combination” within the meaning of MI 61-101. The Act and MI 61-101 provide that, unless exempted, a corporation proposing to carry out a business combination is required to prepare a valuation of the affected securities (and subject to certain exceptions, any non-cash consideration being offered therefor) and to provide the holders of the affected securities a summary of such valuation. An exemption is available under MI 61-101 for certain business combinations completed within 120 days after the expiry of a formal take-over bid where the consideration under such transaction is at least equal in value to and is in the same form as the consideration that tendering security holders were entitled to receive in the take-over bid, provided that certain disclosure is given in the take-over bid disclosure documents. The Offer Circular contained the disclosure mandated by MI 61-101 (see “Acquisition of Common Shares Not Deposited”, and “Certain Canadian Federal Income Tax Considerations” in the Offer Circular), the Amalgamation between the Corporation and Dundee Industrial Atlantic will be completed within 120 days of the expiry of the Offer, and the consideration for the Common Shares under the Amalgamation (and the Redemption) is at least equal in value to and is in the same form as the consideration that tendering holders of Common Shares were entitled to receive in the Offer. Accordingly, an exemption from the requirement to prepare a valuation in connection with the Amalgamation is available and will be relied upon.

MI 61-101 also provides that, in addition to any other required security holder approval, in order to complete a business combination, the approval of a simple majority of the votes cast by “minority” shareholders of each class of affected securities must be obtained unless an exemption is available or discretionary relief is granted by applicable securities regulatory authorities. However, MI 61-101 provides that, subject to certain terms and conditions, the votes attached to the shares acquired under an offer may be included as votes in favour of a subsequent business combination in determining whether minority approval has been obtained if, among other things, the business combination is effected by the offeror or its affiliate and is in respect of shares that were not acquired in the take-over bid, the business combination is completed no later than 120 days after the expiry of the bid, the consideration per security that the holders of affected securities would be entitled to receive in the business combination is at least equal in value to and is in the same form as the consideration that the tendering shareholders were entitled to receive in the bid and the take-over bid disclosure document discloses, among other things, (i) that if the offeror acquired shares under the bid, the offeror intended to acquire the remainder of the securities under a statutory right of acquisition or under a business combination no later than 120 days after the expiry of the bid for consideration per security at least equal in value to and is in the same form as the consideration that the shareholders were entitled to receive in the bid, (ii) that the business combination would be subject to minority approval, (iii) the number of votes attached to the securities that, to the knowledge of the offeror after reasonable inquiry, would be required to be excluded in determining whether minority approval for the business combination had been obtained, (iv) the identity of holders of such securities excluded from the minority approval determination, setting out their individual holdings, (v) the identity of each class of securities the holders of which would be entitled to vote separately as a class on the business combination, (vi) the expected tax consequences of both the bid and the business combination if, at the time the bid was made, the tax consequences arising from the business combination were reasonably foreseeable to the offeror and were reasonably expected to be different from the tax consequences of tendering to the bid, and (vii) that the tax consequences of the bid and the

business combination may be different if, at the time the bid was made, the offeror could not reasonably foresee the tax consequences arising from the business combination.

The consideration offered for Common Shares under the Amalgamation (and the Redemption) is equal in value to, and in the same form as, the consideration paid to Common Shareholders under the Offer, the Amalgamation will be completed no later than 120 days after the expiry of the Offer and the required disclosure has been included in the Offer Circular. Accordingly, Dundee Industrial Atlantic intends to cause Common Shares acquired under the Offer to be voted in favour of the Amalgamation Resolution and to be counted as part of any minority approval.

Dundee Industrial Atlantic holds sufficient Common Shares to approve the Amalgamation Resolution in accordance with the foregoing legal requirements.

Right to Dissent

Under the provisions of Section 185 of the Act, a registered Common Shareholder is entitled to send to the Corporation a written objection to the Amalgamation Resolution in respect of approval of the Amalgamation. In addition to any other right a Common Shareholder may have, when the Amalgamation becomes effective, a registered Common Shareholder who complies with the dissent procedure under Section 185 of the Act is entitled to be paid the fair value of the Common Shares held by him or her in respect of which he or she dissents, determined as at the close of business on the day before the Amalgamation Resolution is adopted. If the statutory procedures are complied with, this right could lead to a judicial determination of the fair value required to be paid to a Dissenting Common Shareholder for his or her Common Shares. **A registered Common Shareholder may only exercise the right to dissent under Section 185 of the Act in respect of Common Shares which are registered in that Common Shareholder's name.**

A non-registered Common Shareholder who wishes to exercise the right to dissent should immediately contact the intermediary with whom the non-registered Common Shareholder deals in respect of the Common Shares and either: (i) instruct the intermediary to exercise the right to dissent on the Common Shareholder's behalf (which, if the shares are registered in the name of CDS & CO. or other clearing agency, would require that the Common Shares first be re-registered in the name of the intermediary); or (ii) instruct the intermediary to re-register the Common Shares in the name of the non-registered Common Shareholder, in which case the non-registered Common Shareholder would have to exercise the right to dissent directly.

In the event that a Common Shareholder fails to perfect or effectively withdraws that Common Shareholder's claim under Section 185 of the Act or forfeits that Common Shareholder's right to make a claim under Section 185 of the Act or his or her rights as a Common Shareholder of the Corporation are otherwise reinstated, each Common Share held by that Common Shareholder shall thereupon be deemed to have been exchanged for one Amalco Redeemable Preference Share on the Effective Date and each Amalco Redeemable Preference Share shall immediately following issuance be redeemed for 0.4485 Dundee Industrial REIT Units.

The dissent procedure provided by Section 185 of the Act is summarized in Appendix C to this Circular and the text of Section 185 of the Act is set out in Appendix D to this Circular. **Common Shareholders who may wish to dissent should seek legal advice, as failure to comply with the strict requirements set out in Section 185 of the Act may result in the loss or unavailability of any right to dissent.**

Letter of Transmittal and Delivery Requirements

A Letter of Transmittal (printed on GREEN paper) is enclosed with this Circular for use by Common Shareholders for the surrender of Share Certificates. The detailed instructions for the surrender of Share Certificates to Equity Financial Trust Company and the addresses of Equity Financial Trust Company are set out in the Letter of Transmittal. As soon as practicable after the Effective Date, assuming due delivery of the required documentation, Equity Financial Trust Company will deliver or cause to be delivered certificates representing Dundee Industrial REIT Units (or, in the case of Common Shares surrendered by book-entry transfer, crediting the Dundee Industrial REIT Units to the account of CDS & CO., from which the book-entry transfer was made) and, if applicable, issue or cause to be issued a cheque payable in Canadian funds in the amount to which the person depositing Common Shares is entitled in lieu of fractional Dundee Industrial REIT Units, if any. Unless otherwise directed by the Letter of Transmittal, the certificates (and cheque, if applicable) will be forwarded by first class mail to such person at the address specified in the Letter of Transmittal. If no such address is specified, the certificates (and cheque, if applicable) will be sent to the address of the registered holder as shown on the securities register maintained by or on behalf of the Corporation. Certificates (and cheques, if applicable) mailed in accordance with this paragraph will be deemed to be delivered at the time of mailing. Pursuant to applicable laws, Dundee Industrial REIT may, in certain circumstances, be required to make withholdings from the amount otherwise payable to a Common Shareholder.

Common Shareholders will not be required to pay any fee or commission if they surrender their Share Certificates directly with Equity Financial Trust Company. However, a broker or other nominee through whom a Common Shareholder owns Common Shares may charge a fee to tender any such securities on behalf of the Common Shareholder. Common Shareholders should consult their investment advisors, stockbrokers or other nominees to determine whether any charges will apply.

Under no circumstance will interest accrue or any amount be paid by the Corporation, Dundee Industrial REIT, Dundee Industrial Atlantic or Equity Financial Trust Company by reason of any delay in making payments for Common Shares to any person in connection with the Amalgamation and Redemption.

A Common Shareholder who has lost or misplaced his or her Share Certificate(s) should complete the Letter of Transmittal as fully as possible and forward it to Equity Financial Trust Company together with a letter explaining the loss or contact Equity Financial Trust Company as soon as possible for instructions. Equity Financial Trust Company will assist in making arrangements for the necessary affidavit (which may include a bonding requirement) for payment of 0.4485 Dundee Industrial REIT Units per Common Share in accordance with the Amalgamation and Redemption. If a bond is required, the premium payable will be the responsibility of the Common Shareholder. In order to receive 0.4485 Dundee Industrial REIT Units per Common Share, each Common Shareholder (other than Dissenting Common

Shareholders and Dundee Industrial Atlantic) must duly complete, execute and deliver to Equity Financial Trust Company the Letter of Transmittal together with such Common Shareholder's Share Certificate(s) and such other additional documents as Equity Financial Trust Company may reasonably require, if any. See "*Special Business to be Conducted at the Meeting – Prescription Period*".

The method of delivery of Share Certificates, the Letter of Transmittal and all other required documents to Equity Financial Trust Company is at the option and risk of the Common Shareholder. The Corporation recommends that such documents be delivered by hand to Equity Financial Trust Company, at the offices listed in the Letter of Transmittal, and a receipt obtained therefor, or if mailed, the Corporation recommends that registered mail be used, with return receipt requested, and that proper insurance be obtained.

Common Shareholders whose Share Certificates are registered in the name of an investment advisor, stockbroker, bank, trust company or other nominee should contact such nominee to arrange for the surrender of their Share Certificates.

Prescription Period

On the Effective Date, each Common Shareholder will be removed from the Corporation's register of Common Shareholders, and until validly surrendered, the Share Certificate(s) representing Common Shares held by such former holder will represent only the right to receive, upon such surrender, 0.4485 Dundee Industrial REIT Units per Common Share (without interest). Subject to the requirements of applicable law, any Share Certificate which prior to the Effective Date represented issued and outstanding Common Shares which has not been surrendered, with all other instruments required by the Letter of Transmittal, on or prior to the sixth anniversary of the Effective Date will cease to represent any claim or interest of any kind or nature against or in Amalco, DILP, Dundee Industrial REIT or Equity Financial Trust Company.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Wilson & Partners LLP, a law firm affiliated with PricewaterhouseCoopers LLP and special tax counsel to Dundee Industrial REIT and Dundee Industrial Atlantic, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations under the Tax Act of the Amalgamation and Redemption generally applicable to Common Shareholders who, for the purposes of the Tax Act and at all relevant times, are resident in Canada, hold their Common Shares and will hold their Amalco Redeemable Preference Shares as capital property, did not acquire their Common Shares pursuant to a stock option plan and deal at arm's length with, and are not affiliated with, Dundee Industrial REIT, Dundee Industrial Atlantic, the Corporation and their respective affiliates (each, a "**Holder**"). Generally, Common Shares and Amalco Redeemable Preference Shares will be considered to be capital property to a Holder provided that the Holder does not hold such shares in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Holders whose Common Shares or Amalco Redeemable Preference Shares might not otherwise qualify as capital property may be entitled to have them be treated as capital property by making an irrevocable election under subsection 39(4) of the Tax Act. Holders who do not hold their Common Shares or Amalco

Redeemable Preference Shares as capital property should consult their own tax advisors regarding their particular circumstances.

This summary is not applicable to a Holder: (i) that is a “financial institution” for purposes of the mark-to-market rules; (ii) that is a “specified financial institution”; (iii) that has elected to determine its Canadian tax results in accordance with a “functional currency”; or (iv) an interest in which is a “tax shelter investment”, as each term is defined in the Tax Act. Such Holders should consult their own tax advisors.

This summary is based upon the provisions of the Tax Act and the regulations thereunder (the “**Regulations**”) and counsel’s understanding, based on publicly available published materials, of the administrative policies and assessing practices of the CRA, all in effect as of the date of this Circular. This summary takes into account all specific proposals to amend the Tax Act and the Regulations that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Circular (the “**Tax Proposals**”). Except for the Tax Proposals, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action, or changes in CRA’s administrative policies and assessing practices, nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed herein. This summary assumes that the Tax Proposals will be enacted as currently proposed, but no assurances can be given that this will be the case. There can be no assurances that CRA will not change its administrative policies and assessing practices.

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 Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Consequently, Holders are urged to consult their own tax advisors with respect to the Amalgamation and Redemption, including any other consequences to them of such transactions under Canadian federal, provincial, territorial or local tax laws and under foreign tax laws, having regard to their own particular circumstances.

Disposition of Common Shares on Amalgamation

A Holder (other than a Dissenting Common Shareholder) who, on the Amalgamation, holds Common Shares that are exchanged for Amalco Redeemable Preference Shares will not realize any capital gain or capital loss on the exchange. The Holder will be considered to have disposed of the Common Shares for proceeds of disposition equal to the aggregate adjusted cost base of the Common Shares to the Holder immediately before the Amalgamation and to have acquired the Amalco Redeemable Preference Shares at an aggregate cost equal to those proceeds of disposition. There will, however, be income tax consequences to the Holder on the Redemption, as discussed below.

Redemption of Amalco Redeemable Preference Shares

A Holder of Amalco Redeemable Preference Shares will, on the redemption thereof, be deemed to have received a dividend (subject to the potential application of subsection 55(2) of the Tax Act to Holders that are corporations, as discussed below) equal to the amount by which the redemption price of such shares (which will be equal to the fair market value of 0.4485

Dundee Industrial REIT Unit per Amalco Redeemable Preference Share received upon redemption) exceeds their paid-up capital for purposes of the Tax Act. The difference between the redemption price and the amount of the deemed dividend will be treated as proceeds of disposition of such shares for purposes of computing any capital gain or capital loss arising on the redemption of such shares. A Holder will realize a capital gain (or capital loss) to the extent that such proceeds of disposition exceed (or are less than) the aggregate adjusted cost base to the Holder of such shares and any reasonable costs of disposition. The tax treatment of capital gains and capital losses under the Tax Act is discussed below.

The adjusted cost base to a Holder of the Dundee Industrial REIT Units received on the Redemption will be equal to their fair market value at the time of the Redemption.

Subsection 55(2) of the Tax Act provides that where a Holder that is a corporation is deemed to receive a dividend in certain circumstances, all or part of the deemed dividend may be treated instead as proceeds of disposition of the Amalco Redeemable Preference Shares for the purpose of computing the Holder's capital gain on the redemption of such shares. Accordingly, Holders that are corporations should consult their own tax advisors for specific advice with respect to the potential application of this provision. Subject to the potential application of this provision, dividends deemed to be received by a Holder that is a corporation as a result of the Redemption will be included in computing the Holder's income, but generally will also be deductible in computing taxable income.

A Holder that is a "private corporation" or a "subject corporation" (as such terms are defined in the Tax Act) may be liable to pay a 33 $\frac{1}{3}$ % refundable tax under Part IV of the Tax Act on dividends deemed to be received on the Redemption to the extent that such dividends are deductible in computing the Holder's taxable income. In the case of a Holder who is an individual, dividends deemed to be received as a result of the Redemption will be included in computing the Holder's income and will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends paid by a taxable Canadian corporation, including the enhanced gross-up and dividend tax credit for "eligible dividends" (as defined in the Tax Act). There can be no assurance that any deemed dividend will be designated as an eligible dividend.

Dissenting Common Shareholders

Under the current administrative practice of the CRA, Holders who exercise their right of dissent in respect of the Amalgamation will be considered to have disposed of their Common Shares for proceeds of disposition equal to the amount paid by Amalco to them for such Common Shares less the amount of any interest awarded by the court and will realize a capital gain (or capital loss) to the extent that those proceeds of disposition exceed (or are less than) the aggregate adjusted cost base of such Common Shares to the Holder who is a Dissenting Common Shareholder and any reasonable costs of disposition. Any interest awarded to a Holder who is a Dissenting Common Shareholder will be included in the Holder's income. The tax treatment of capital gains and capital losses under the Tax Act is discussed below. Because of uncertainties under the relevant legislation as to whether such amounts (other than interest) paid to Dissenting Common Shareholders would be treated entirely as proceeds of disposition, or in part as the payment of a deemed dividend, **Dissenting Common Shareholders should consult their own tax advisors in this regard.**

Taxation of Capital Gains or Losses

A Holder who realizes a capital gain or a capital loss on the Redemption or, in the case of a Holder who is a Dissenting Common Shareholder, on the disposition of Common Shares, will generally be required to include in income one-half of any such capital gain (“**taxable capital gain**”) and, subject to the detailed rules in the Tax Act, one-half of any such capital loss may generally be deducted only from taxable capital gains of the Holder in the year of disposition, in the three preceding taxation years or in any subsequent taxation years, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized by a Holder that is a corporation on the disposition of any such shares may be reduced by the amount of certain dividends previously received or deemed to have been received on such shares or, in the case of a disposition of Amalco Redeemable Preference Shares received on the Amalgamation, on the Common Shares exchanged therefor, subject to and in accordance with the provisions of the Tax Act. Similar rules may apply where such shares are held by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Holders to whom these rules may be applicable should consult their own tax advisors regarding these rules.

Capital gains realized by individuals and certain trusts may give rise to a liability for alternative minimum tax under the Tax Act. Holders should consult their own tax advisors with respect to the potential application of alternative minimum tax.

A Holder that is throughout the year a “Canadian-controlled private corporation” as defined in the Tax Act may be liable to pay an additional refundable tax of 66 $\frac{2}{3}$ % on certain investment income, including taxable capital gains.

INFORMATION CONCERNING DUNDEE INDUSTRIAL REIT AND DUNDEE INDUSTRIAL ATLANTIC

Dundee Industrial REIT is an unincorporated, open-ended real estate investment trust created by a declaration of trust dated July 20, 2012, as amended and restated and is governed by the laws of the Province of Ontario. Dundee Industrial REIT is a “mutual fund trust” as defined in the Tax Act, but is not a “mutual fund” within the meaning of applicable Canadian securities laws. The head office of Dundee Industrial REIT is located at 30 Adelaide Street East, Suite 1600, Toronto, Ontario, M5C 3H1.

Dundee Industrial REIT is a growth-oriented owner of high-quality income producing light industrial properties across Canada providing stable and predictable distributions to unitholders on a tax efficient basis. Dundee Industrial REIT’s properties feature an attractive, geographically diverse mix of flex, warehouse and distribution, and light manufacturing assets. At June 18, 2013, Dundee Industrial REIT’s portfolio totalled approximately 15.7 million square feet of gross leasable area across Canada. The properties are located in British Columbia, Alberta, Saskatchewan, Ontario, Québec, New Brunswick and Nova Scotia.

The objectives of Dundee Industrial REIT are (i) to manage its investments to provide growing cash flow and stable and sustainable returns through adapting its strategy and tactics to changes in the real estate industry and the economy; (ii) to build and maintain a diversified,

growth-oriented portfolio of light industrial properties in major Canadian markets based on an established platform; (iii) to provide predictable and sustainable cash distributions to unitholders of Dundee Industrial REIT and prudently manage distributions over time; and (iv) to maintain a REIT that satisfies the REIT Exception under the SIFT Legislation in order to provide certainty to unitholders of Dundee Industrial REIT with respect to taxation of distributions.

A description of the activities of Dundee Industrial REIT, the Dundee Industrial REIT Units being offered as consideration hereunder, certain constraints imposed on the ownership of Dundee Industrial REIT Units, and other relevant aspects of Dundee Industrial's organization and structure is contained in the Dundee Industrial REIT AIF, which is incorporated by reference herein. On April 5, 2013 Dundee Industrial REIT announced the appointment of Mr. Randy Cameron as Interim Chief Executive Officer and President.

Dundee Industrial Atlantic was incorporated under the laws of the Province of Ontario on March 15, 2013. Dundee Industrial Atlantic has not carried on any material business prior to the date hereof other than in connection with matters directly related to the Offer. See "*Special Business to be Conducted at the Meeting – Background and Reasons for the Amalgamation*". Dundee Industrial Atlantic is a subsidiary of Dundee Industrial REIT. The head office of Dundee Industrial Atlantic is located at 30 Adelaide Street East, Suite 1600, Toronto, Ontario, M5C 3H1.

INFORMATION CONCERNING THE CORPORATION

The Corporation was incorporated with the name Sargasso Capital Corporation under the laws of the Province of Ontario on July 30, 2008. On May 16, 2011 the articles of the Corporation were amended to change the name of the Corporation to "C2C Industrial Properties Inc.". The Corporation was a capital pool company under Policy 2.4 of the TSXV. The Corporation completed its qualifying transaction in accordance with the policies of the TSXV on May 16, 2011. On April 5, 2013, Dundee Industrial Atlantic made the Offer and on May 15, 2013, Dundee Industrial Atlantic took up and paid for the 16,634,679 Common Shares deposited pursuant to the Offer, representing approximately 95% of the outstanding Common Shares. The Corporation is now a subsidiary of Dundee Industrial Atlantic. See "*Special Business to be Conducted at the Meeting – Background and Reasons for the Amalgamation*". The head office of C2C is located at 30 Adelaide Street East, Suite 1600, Toronto, Ontario, M5C 3H1.

The Corporation is an industrial real estate company. At June 18, 2013, the Corporation owned a portfolio of 25 properties comprising approximately 2.5 million square feet of gross leasable area across Canada. The properties are located in Edmonton, Alberta; the Greater Toronto Area and London, Ontario; Montreal, Quebec; and Halifax, Nova Scotia.

A description of the assets of the Corporation is contained in the section of the Corporation AIF which is incorporated by reference herein.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation is covered by directors' and officers' liability insurance carried by Dundee Industrial REIT with a total annual aggregate policy limit of \$30,000,000 (comprised of a \$10,000,000 primary policy and \$20,000,000 in excess policies). No deductible is applied against an individual insured officer of the Corporation. The Corporation is reimbursed for

payments pursuant to individual indemnity agreements between the Corporation and each officer and director of the Corporation (the “Indemnities”). This corporate reimbursement coverage is subject to a deductible payable by the Corporation of \$100,000 for indemnifiable losses. This deductible also applies to securities claims made against the insured organization. The Indemnities provide for the indemnification in certain circumstances of directors and officers of the Corporation from and against liability and costs in respect of any action or suit against them in respect of the execution of their duties of office.

INTEREST OF PERSONS IN THE MATTERS TO BE ACTED UPON AT THE MEETING

Dundee Industrial Atlantic holds directly approximately 95% of the outstanding Common Shares of the Corporation. The directors and officers of the Corporation do not hold any Common Shares. Each of the directors and officers of the Corporation since January 1, 2012 and as of May 15, 2013 deposited his or her Common Shares under the Offer. The Corporation cannot determine whether any such persons or any other directors or officers of the Corporation since January 1, 2012 own or have acquired, since May 15, 2013, any Common Shares. The Amalgamation between Dundee Industrial Atlantic and the Corporation has been proposed in order to permit Dundee Industrial REIT to acquire, through Dundee Industrial Atlantic, the Common Shares that were not deposited under the Offer. Ms Vincenza Sera and Messrs. Robert Goodall and Peter Crossgrove are each directors of the Corporation, Dundee Industrial REIT and Dundee Industrial Atlantic. Messrs. Randy Cameron and Mario Barrafato are each officers of the Corporation, Dundee Industrial REIT and Dundee Industrial Atlantic.

EFFECT OF THE AMALGAMATION ON MARKETS AND LISTINGS

If permitted by applicable laws, Dundee Industrial REIT intends to cause the Corporation to apply to delist the Common Shares from the TSXV as soon as practicable after the Amalgamation and Redemption. In addition, if permitted by applicable laws, subsequent to the completion of the Amalgamation, Dundee Industrial REIT intends to take such steps as are required to permit the Corporation to satisfy the continuous disclosure requirements of applicable laws by relying on the continuous disclosure documents filed by Dundee Industrial REIT with Canadian securities regulators under applicable laws.

RISK FACTORS

As Common Shareholders will receive Dundee Industrial REIT Units in consideration for surrendering their Common Shares under the Amalgamation and Redemption, such Common Shareholders should carefully consider the risks and uncertainties associated with Dundee Industrial REIT and the Dundee Industrial REIT Units including those set out in Dundee Industrial REIT’s AIF filed with the Canadian provincial securities regulatory authorities and available electronically at www.sedar.com, before voting in respect of the Amalgamation.

CERTAIN INFORMATION CONCERNING DUNDEE INDUSTRIAL REIT UNITS

Authorized and Outstanding Capital

The aggregate number of Dundee Industrial REIT Units which Dundee Industrial REIT may issue is unlimited. Dundee Industrial REIT Units represent a proportionate undivided beneficial interest in Dundee Industrial REIT. As at June 17, 2013, there were 54,263,353 Dundee Industrial REIT Units (and 16,282,096 Class B limited partnership units of DILP, each of which is convertible into one Dundee Industrial REIT Unit) outstanding. No Dundee Industrial REIT Unit has any preference or priority over another. No unitholder of Dundee Industrial REIT has or is deemed to have any right of ownership in any of the assets of Dundee Industrial REIT. Each unit of Dundee Industrial REIT confers the right to one vote at any meeting of unitholders of Dundee Industrial REIT and to participate equally and rateably in any distributions by Dundee Industrial REIT and, in the event of any required distribution of all of the property of Dundee Industrial REIT, in the net assets of Dundee Industrial REIT remaining after satisfaction of all liabilities.

Distribution Policy

Dundee Industrial REIT has declared a monthly distribution each month since October 2012 through to March 2013 equal to \$0.675 per Dundee Industrial REIT Unit on an annualized basis. Commencing with the distribution declared payable to Dundee Industrial REIT unitholders of record on April 30, 2013, Dundee Industrial REIT increased its annualized distribution to \$0.70 per Dundee Industrial REIT Unit, or \$0.05833 per Dundee Industrial REIT Unit on a monthly basis, representing an increase of 3.7%, or 2.5 cents.

In addition, on December 31st of each year, unitholders of Dundee Industrial REIT are also entitled to receive a distribution of sufficient net realized capital gains and net income for the taxation year ending on that date, net of any capital losses or non capital losses recognized on or before the end of such year such that Dundee Industrial REIT will not be liable for ordinary income taxes for such year, net of tax refunds. Distributions in respect of a month are generally paid to unitholders of Dundee Industrial REIT of record at the close of business on the last day of the month on or about the 15th day of the following month. The annual payment in respect of the December 31st distribution is made on or before the following January 15th. Distributions, if any, are made in cash or, in the event that Dundee Industrial REIT experiences a shortfall of cash related to payment of the full amount of any distributable income, the payment may include the issuance of additional Dundee Industrial REIT Units.

Dundee Industrial REIT also has a DRIP pursuant to which unitholders of Dundee Industrial REIT are entitled to reinvest all cash distributions in additional Dundee Industrial REIT Units, at a price determined by Dundee Industrial REIT.

Price Range and Trading Volume of Dundee Industrial REIT Units

The Dundee Industrial REIT Units are traded on the TSX under the trading symbol "DIR.UN". The following table sets forth the reported high and low daily closing prices and the aggregate volume of trading of the Dundee Industrial REIT Units on the TSX for each month

before the date of this Circular, starting with the partial month from October 4, 2012, being the date of closing of Dundee Industrial’s initial public offering:

Trading of Dundee Industrial REIT Units on the TSX			
	<u>High (\$)</u>	<u>Low (\$)</u>	<u>Volume (#)</u>
2012			
September	-	-	-
October.....	11.49	10.75	7,316,918
November.....	11.38	10.58	2,473,673
December	11.20	10.62	2,981,565
2013			
January	11.75	11.05	1,846,832
February	11.70	10.95	2,502,652
March	11.00	10.66	3,236,050
April	10.85	10.29	2,924,101
May	10.88	10.08	3,748,610
Up to June 18, 2013	10.30	9.33	1,563,800

Price Range and Trading Volume of Dundee Industrial REIT Debentures

Dundee Industrial REIT Debentures are traded on the TSX under the trading symbol “DIR.DB”. The following table set forth the market price range and trading volumes of these debentures on the TSX for each month before the date of this Circular, starting with the partial month from December 13, 2012, being the date of the first issuance of the Dundee Industrial REIT Debentures:

Trading of Dundee Industrial REIT Debentures on the TSX			
	<u>High (\$)</u>	<u>Low (\$)</u>	<u>Volume (#)</u>
2012			
September	-	-	-
October.....	-	-	-
November.....	-	-	-
December	102.75	101.26	140,090

**Trading of Dundee Industrial REIT
Debentures on the TSX (Continued)**

	<u>High (\$)</u>	<u>Low (\$)</u>	<u>Volume (#)</u>
2013			
January	105.25	102.60	23,940
February	104.50	103.51	19,210
March	103.88	103.05	22,470
April	103.75	103.15	21,690
May	104.40	103.30	30,110
Up to June 18, 2013	103.25	100.00	140,090

Material Changes in Capitalization of Dundee Industrial REIT

The material changes in the capitalization or indebtedness of Dundee Industrial REIT since March 31, 2013 are: the issuance of 7,460,654 units of Dundee Industrial REIT upon the take up and payment of 16,634,679 Common Shares under the Offer on May 15, 2013, the assumption of \$137.8 million in debt of the Corporation and the assumption of \$62.0 million of debt resulting from the acquisition of 22 industrial properties on April 24, 2013. Common Shareholders should refer to the business acquisition report of Dundee Industrial REIT dated June 18, 2013 for unaudited pro forma consolidated financial statements for Dundee Industrial REIT for the period ended December 31, 2012 and for the three months ended March 31, 2013, which gives effect to the take up and payment of 16,634,679 Common Shares of the Corporation and the acquisition of the portfolio of 22 industrial properties. Upon completion of the Amalgamation on the Effective Date, each issued and outstanding Amalco Redeemable Preference Share will be redeemed in consideration for 0.4485 Dundee Industrial REIT Units for an aggregate of 387,477 Dundee Industrial REIT Units.

Distribution of Dundee Industrial REIT Units

Since the date of formation of Dundee Industrial REIT, Dundee Industrial REIT has completed the following distributions of Dundee Industrial REIT Units and securities convertible into Dundee Industrial REIT Units:

On May 15, 2013, Dundee Industrial REIT issued 7,460,654 Dundee Industrial REIT Units in connection with the take up and payment of 16,634,679 Common Shares under the Offer.

On March 6, 2013, Dundee Industrial REIT completed a bought deal public offering of 10,465,000 Dundee Industrial REIT Units at a price of \$11.00 per Dundee Industrial REIT Unit for total gross proceeds of \$115,115,000.

On December 19, 2012, Dundee Industrial REIT issued 2,358,491 Dundee Industrial REIT Units and \$25.0 million principal amount of 5.25% Debentures to an affiliate of KingSett Capital Inc., on the same terms as the public offering completed on December 13, 2012

(described below), in order to satisfy a portion of the purchase price payable for Dundee Industrial REIT's acquisition of 79 industrial properties from an affiliate of KingSett Capital Inc. on December 19, 2012;

On December 13, 2012, Dundee Industrial REIT completed a bought deal public offering of 13,570,000 Dundee Industrial REIT Units at a price of \$10.60 per Dundee Industrial REIT Unit and \$86,250,000 aggregate principal amount of 5.25% Debentures for total gross proceeds of \$230,092,000. The 13,570,000 Dundee Industrial REIT Units included Dundee Industrial REIT Units issued on closing pursuant to the exercise by the underwriters of the over-allotment option granted with respect to that offering.

On October 4, 2012, Dundee Industrial REIT completed its initial public offering and issued 15,500,000 Dundee Industrial REIT Units at a price of \$10.00 per Dundee Industrial REIT Unit for gross proceeds \$155,000,000. Concurrently with the completion of its initial public offering on October 4, 2012, Dundee Industrial REIT also issued 1,750,000 Dundee Industrial REIT Units to Dundee Corporation at a price of \$10.00 per Dundee Industrial REIT Unit and 750,000 Dundee Industrial REIT Units to Michael J. Cooper at price of \$10.00 per Dundee Industrial REIT Unit for aggregate gross proceeds of \$25,000,000. DILP also issued on that date 16,034,631 LP B Units (together with the same number of special trust units of Dundee Industrial REIT) to DPLP and certain of its subsidiaries as partial consideration for the indirect acquisition of the 77 industrial properties in connection with its initial public offering. The LP B Units are economically equivalent to and exchangeable for Dundee Industrial REIT Units.

On October 17, 2012, Dundee Industrial REIT completed the issuance of an additional 2,325,000 Dundee Industrial REIT Units at a price of \$10.00 per Dundee Industrial REIT Unit for gross proceeds of \$23,250,000 pursuant to the exercise by the underwriters of the over-allotment option granted with respect to Dundee Industrial REIT's initial public offering.

Dundee Industrial REIT distributes Dundee Industrial REIT Units on a monthly basis to existing unitholders of Dundee Industrial REIT who elect to reinvest their monthly distributions in Dundee Industrial REIT Units pursuant to the DRIP of Dundee Industrial REIT. In addition, holders of LP B Units may elect to reinvest the monthly distributions on their LP B Units in Dundee Industrial REIT Units pursuant to DRIP-like arrangements provided for in the limited partnership agreement of Industrial Partnership. Since its formation, Dundee Industrial REIT has issued 317,273 Dundee Industrial REIT Units pursuant to the DRIP and the DRIP-like arrangements under the limited partnership agreement referred to above. Dundee Industrial REIT Units distributed pursuant to the DRIP and the DRIP-like arrangements are issued at a price equal to the weighted average closing price of the Dundee Industrial REIT Units on the TSX for the five trading days immediately preceding the relevant distribution payment date. Unitholders of Dundee Industrial REIT who participate in the DRIP or the DRIP-like arrangements receive a "bonus" distribution with each reinvestment equal to 3.0% of the amount of the distribution reinvested in the form of additional Dundee Industrial REIT Units.

Dundee Industrial REIT also has a deferred unit incentive plan, pursuant to which it grants deferred units to the trustees of Dundee Industrial REIT and senior officers and certain of employees of Dundee Industrial REIT. Dundee Industrial REIT Units are issued to participants in the deferred unit incentive plan upon vesting of the deferred units, unless deferred in accordance with the terms of the deferred unit incentive plan. To date, 20,400 deferred units have

vested and 20,400 Dundee Industrial REIT Units have been issued pursuant to the deferred unit incentive plan.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditor of the Corporation is Collins Barrow LLP, Chartered Accountants, 11 King Street West, Suite 700, Toronto, Ontario, M5H 4C7 (416-480-0161). Collins Barrow LLP were first appointed as auditors of the Corporation effective July 30, 2008.

The auditor of Dundee Industrial REIT is PricewaterhouseCoopers LLP, Chartered Accountants, 18 York Street, Suite 2600, Toronto, Ontario, M5J 0B2 (416-863-1133).

The transfer agent and registrar for Common Shares is Equity Financial Trust Company at its principal office in Toronto, Ontario.

The transfer agent and registrar for the Dundee Industrial REIT Units is Computershare Trust Company of Canada at its principal office in Toronto, Ontario.

LEGAL MATTERS

Certain legal matters in connection with the Amalgamation and Redemption (including the issuance of Dundee Industrial REIT Units offered hereby) will be passed upon on behalf of the Corporation and Dundee Industrial Atlantic by Osler, Hoskin & Harcourt LLP, with respect to securities and other matters, and Wilson & Partners LLP, a law firm affiliated with PricewaterhouseCoopers LLP, with respect to certain tax matters.

INTERESTS OF EXPERTS

As at the date hereof, the partners and associates of Osler, Hoskin & Harcourt LLP, as a group, and Wilson & Partners LLP, as a group, each beneficially own, directly or indirectly, less than 1% of the outstanding securities of the Corporation and Dundee Industrial REIT and their respective affiliates and associates.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents of Dundee Industrial REIT filed with the securities commission or similar authority in each of the provinces of Canada are specifically incorporated by reference into and form an integral part of this Circular:

- (a) the Dundee Industrial REIT AIF;
- (b) the management information circular of Dundee Industrial REIT dated April 10, 2013 prepared in connection with the annual meeting of unitholders held on May 7, 2013;
- (c) the audited consolidated financial statements of Dundee Industrial REIT as at December 31, 2012 and the consolidated statements of comprehensive loss, changes in equity and cash flows for the period from July 20, 2012 to December

31, 2012, together with the notes thereto and the independent auditor's report thereon;

- (d) the unaudited condensed consolidated financial statements of Dundee Industrial REIT as at March 31, 2013 and for the three-month period ended March 31, 2013, together with the notes thereto;
- (e) management's discussion and analysis of the financial condition and results of operations of Dundee Industrial REIT for the period from July 20, 2012 to December 31, 2012;
- (f) management's discussion and analysis of the financial condition and results of the operations of Dundee Industrial REIT for the three-month period ended March 31, 2013;
- (g) the material change report of Dundee Industrial REIT dated March 28, 2013 with respect to the entering into of the Support Agreement;
- (h) the material change report of Dundee Industrial REIT dated May 27, 2013 with respect to the take up and payment of Common Shares under the Offer;
- (i) the business acquisition report of Dundee Industrial REIT dated November 13, 2012 with respect to the acquisition of a portfolio of 77 industrial properties;
- (j) the business acquisition report of Dundee Industrial REIT dated February 1, 2013 with respect to the acquisition of a portfolio of 79 industrial properties; and
- (k) the business acquisition report of Dundee Industrial REIT dated June 18, 2013 with respect to the take up and payment of 16,634,679 Common Shares of the Corporation and the acquisition of a portfolio of 22 industrial properties.

Any documents of the type referred to above and any comparative interim financial statements filed by Dundee Industrial REIT with the provincial securities commissions or similar authorities in Canada after the date of this Circular and prior to the Effective Date shall be deemed to be incorporated by reference into and form an integral part of this Circular.

The following sections of the Corporation AIF filed with the securities commission or similar authority in each province of Canada where the Corporation is a reporting issuer are specifically incorporated by reference into and form an integral part of this Circular: "Description of the Business – Portfolio".

Any material change report (except confidential material change reports, if any) filed by the Corporation with the provincial securities commissions or similar authorities in Canada after the date of this Circular and prior to the Effective Date shall be deemed to be incorporated by reference into and form an integral part of this Circular.

Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Circular to the extent that a statement contained herein, or in any other

subsequently filed document which is incorporated or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or omission to state a material fact that was required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall be deemed, except as so modified or superseded, not to constitute a part of this Circular.

Information regarding Dundee Industrial REIT has been incorporated by reference in this Circular from documents filed with the Canadian securities regulatory authorities. Copies of these documents incorporated herein by reference may be obtained without charge from the Secretary of Dundee Industrial REIT, 30 Adelaide Street East, Suite 1600, Toronto, Ontario, M5C 3H1, telephone: ((416) 365-3535) and are also available electronically at www.sedar.com.

ADDITIONAL INFORMATION

Information regarding the Corporation has been incorporated by reference in this Circular from the Corporation AIF filed with the Canadian securities regulatory authorities. Copies of these documents and additional information regarding the Corporation may be obtained without charge from the Secretary of Dundee Industrial REIT, 30 Adelaide Street East, Suite 1600, Toronto, Ontario, M5C 3H1, telephone: ((416) 365-3535) and is also available electronically at www.sedar.com. Financial information relating to the Corporation is found in the consolidated financial statements of the Corporation for the year ended December 31, 2012 and for the period from March 26, 2011 (date of incorporation) to December 31, 2011 and in management's discussion and analysis of the Corporation for the three month and year ended December 31, 2012.

STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides securityholders of the Corporation with, in addition to any other rights that they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or a notice that is required to be delivered to those securityholders of the Corporation. However, such rights must be exercised within prescribed time limits. Securityholders of the Corporation should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

OTHER MATTERS

Management of the Corporation knows of no other business that will be brought before the Meeting. If any other matter or any proposal should be properly presented and should properly come before the Meeting for action, the persons named in the accompanying proxy will vote upon such proposal at their discretion and in accordance with their best judgment.

DIRECTORS' APPROVAL

The contents and the sending of the management information circular of C2C Industrial Properties Inc. ("C2C") dated June 18, 2013 has been approved by the directors of C2C. The management information circular has been sent to each director of C2C, the auditor of C2C and each securityholder of C2C.

DATED this 18th day of June, 2013

(Signed) Randy Cameron
Interim President and Chief Executive Officer

CONSENT OF COUNSEL

To: The Board of Directors of C2C Industrial Properties Inc.

We hereby consent to the references to our name and opinion contained under “Certain Canadian Federal Income Tax Considerations” in the management information circular of C2C Industrial Properties Inc. dated June 18, 2013.

(Signed) Wilson & Partners LLP

Toronto, Canada
June 18, 2013

APPENDIX A

C2C INDUSTRIAL PROPERTIES INC.

SPECIAL RESOLUTION

RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the amalgamation (the “Amalgamation”) of C2C Industrial Properties Inc. (the “Corporation”) and Dundee Industrial Atlantic Acquisition Inc. (“Dundee Industrial Atlantic”) upon the terms and conditions set forth in the amalgamation agreement (the “Amalgamation Agreement”) between the Corporation and Dundee Industrial Atlantic which is attached as Appendix B to the management information circular of the Corporation dated June 18, 2013, is hereby approved;
2. the Amalgamation Agreement is hereby approved, ratified and confirmed;
3. the board of directors of the Corporation is hereby authorized to revoke this resolution at any time prior to the Amalgamation becoming effective without further approval of the shareholders of the Corporation and to determine not to proceed with the Amalgamation; and
4. any one or more officers and directors of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute and deliver articles of amalgamation under the *Business Corporations Act* (Ontario) and to take any and all such other steps or actions as may be reasonably necessary or appropriate in connection with the Amalgamation, including, without limitation, actions to amend, extend, waive conditions of or terminate the Amalgamation Agreement and to execute and deliver for and in the name of and on behalf of the Corporation, whether under corporate seal or not, all such other certificates, instruments, agreements, documents and notices, and to take such further actions, in such person’s opinion may be necessary or appropriate to carry out the purposes and intent of the foregoing resolutions.

APPENDIX B
AMALGAMATION AGREEMENT

DUNDEE INDUSTRIAL ATLANTIC ACQUISITION INC.

-and-

C2C INDUSTRIAL PROPERTIES INC.

AMALGAMATION AGREEMENT

June 19, 2013

THIS AMALGAMATION AGREEMENT (the “Agreement”) is made June 19, 2013

BETWEEN:

DUNDEE INDUSTRIAL ATLANTIC ACQUISITION INC.,
a corporation governed by the laws of the Province of Ontario,

(the “**OFFEROR**”)

-and-

C2C INDUSTRIAL PROPERTIES INC., a corporation
governed by the laws of the Province of Ontario,

 (“**C2C**”).

RECITALS:

- A. The Offeror was incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) (the “**Act**”) by certificate of incorporation dated March 15, 2013, and its authorized capital consists of an unlimited number of common shares, of which one common share has been issued and are currently outstanding.
- B. C2C was incorporated with the name of Sargasso Capital Corporation pursuant to the provisions of the Act by certificate of incorporation dated July 30, 2008. On May 16, 2011, the articles of C2C were amended to change the name of C2C to “C2C Industrial Properties Inc”. C2C’s authorized capital consists of an unlimited number of common shares, of which 17,498,619 common shares have been issued and are currently outstanding.
- D. The Offeror is the holder of 16,634,679 common shares in the capital of C2C.
- E. The Offeror and C2C have:
 - (a) made full disclosure each to the other of all their respective assets and liabilities;
 - (b) determined that it is desirable that their amalgamation be effected; and
 - (c) acting under the authority contained in the Act, agreed to amalgamate and continue as one corporation upon the terms and conditions set out in this Agreement (the “**Amalgamation**”).

THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1
DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.2 Definitions

Whenever used in this Agreement, including the Recitals, the following words and terms have the meanings set out below:

“**Act**” means the *Business Corporations Act* (Ontario);

“**Agreement**” means this Amalgamation Agreement and all amendments or restatements as permitted, and references to “Article” or “Section” mean the specified Article or Section of this Agreement;

“**Amalgamation**” means the amalgamation of the Offeror and C2C as provided herein;

“**Business Day**” means any day (other than a Saturday or Sunday) on which commercial banks located in Toronto, Canada are open for the conduct of business;

“**C2C Common Shareholder**” means a holder of common shares of C2C;

“**C2C Common Shares**” means the issued and outstanding common shares in the capital of C2C;

“**Common Shares**” means the Common Shares in the capital of the Corporation having the rights, privileges, restrictions and conditions set out in Schedule A hereto;

“**Corporation**” means the amalgamated corporation continuing from the Amalgamation;

“**Dissenting C2C Common Shareholder**” means a registered Common Shareholder who, in connection with the special resolution of the Common Shareholders which approves and adopts this Agreement, has exercised the right to dissent pursuant to Section 185 of the Act in strict compliance with the provisions thereof and thereby becomes entitled to receive the fair value of the C2C Common Shares held by that Common Shareholder, where that Common Shareholder has not withdrawn that Common Shareholder’s notice of dissent or forfeited that Common Shareholder’s right to dissent and where that Common Shareholder’s right to dissent has not otherwise been terminated, in each case under the OBCA;

“**Dundee Industrial REIT**” means Dundee Industrial Real Estate Investment Trust, a trust established under the laws of the Province of Ontario;

“**Effective Date**” means the date shown on the certificate of amalgamation to be issued in respect of the Amalgamation;

“**fair value**”, where used in relation to a C2C Common Share held by a Dissenting C2C Common Shareholder, means fair value as determined by the Court under section 185 of the OBCA or as agreed between the Corporation and the Dissenting C2C Common Shareholder;

“**Redeemable Preference Shares**” means the Redeemable Preference Shares in the capital of the Corporation having the rights, privileges, restrictions and conditions set out in Schedule A hereto;

“**Redemption**” means the redemption by the Corporation of each outstanding Redeemable Preference Share on the Effective Date in consideration for 0.4485 Dundee Industrial REIT Units per Redeemable Preference Share;

“**Redemption Date**” means as soon as practicable on the Effective Date;

“**Parties**” means the Offeror and C2C collectively, and “**Party**” means any one of them; and

“**Tax Act**” means the *Income Tax Act* (Canada), R.S.C. 1985, c.1, as amended.

ARTICLE 2 IMPLEMENTATION

2.1 Effective Date

The Offeror and C2C shall amalgamate under the provisions of the Act, effective on the Effective Date, and shall continue as one corporation upon the terms and conditions set out in this Agreement. Articles of amalgamation in prescribed form shall be sent to the Director under the Act, together with all other documents necessary to bring the Amalgamation into effect.

2.2 Effect

On the Effective Date:

- (a) C2C and the Offeror are amalgamated and continue as one corporation;
- (b) C2C and the Offeror cease to exist as entities separate from Amalco;
- (c) the Corporation possesses all the property, rights, privileges and franchises and is subject to all liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of each of C2C and the Offeror;
- (d) a conviction against, or ruling, order or judgement in favour or against the C2C and the Offeror may be enforced by or against the Corporation;
- (e) the articles of amalgamation are deemed to be the articles of incorporation of the Corporation and the certificate of amalgamation is deemed to be the certificate of incorporation of the Corporation; and
- (f) the Corporation shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against the C2C or the Offeror before the Amalgamation has become effective.

ARTICLE 3 FORMATION AND ORGANIZATION

3.1 Name

The name of the Corporation shall be "DIR Industrial Properties Inc."

3.2 Authorized Capital

The authorized capital of the Corporation shall consist of an unlimited number of Common Shares and an unlimited number of Redeemable Preference Shares. The rights, privileges, restrictions and conditions attached to each class of shares of the Corporation shall be as described in Schedule A hereto.

3.3 Restricted Transfer

The right to transfer shares of the Corporation shall be restricted in that no shares shall be transferred without the approval of the board of directors of the Corporation, provided that approval of a transfer may be given after the transfer has been effected upon the records of the Corporation, in which event, unless the said resolution stipulates otherwise, the said transfer shall be valid and shall take effect from the date of its entry upon the books of the Corporation.

3.4 Limited Number of Shareholders

The number of shareholders of the Corporation exclusive of persons who are in its employment and exclusive of persons who, having been formerly in the employment of the Corporation, were, while in that employment, and have continued after termination of that employment to be, shareholders of the Corporation, is limited to not more than 50, two (2) or more persons who are the joint registered owners of one or more shares being counted as one shareholder.

3.5 No Public Offering

Any invitation to the public to subscribe for any securities of the Corporation shall be prohibited.

3.6 Business

There shall be no restrictions on the business the Corporation may carry on or on the powers the Corporation may exercise.

3.7 Financial Year End

Until otherwise determined by resolution of the directors, the financial year of the Corporation shall end on the last day of December in each year.

3.8 Registered Office

Until changed in accordance with the Act, the place in Ontario where the registered office of the Corporation is to be situated is the City of Toronto, and the address of the registered office of the Corporation shall be 30 Adelaide Street East, Suite 1600, Toronto, Ontario, M5C 3H1.

3.9 Filing of Articles

Upon the shareholder(s) of each of C2C and the Offeror adopting this Agreement in accordance with the Act, articles of amalgamation in prescribed form shall be sent to the Director under the Act.

3.10 By-laws

Until repealed, amended, altered or added to, so far as applicable, the by-laws of the Offeror at the time the amalgamation becomes effective shall be the by-laws of the Corporation.

3.11 General Conditions Precedent

The respective obligations of C2C and the Offeror to consummate the transactions contemplated hereby, and in particular the Amalgamation, are subject to the satisfaction, on or before the Effective Date, of the following conditions any of which may be waived by the mutual consent of such parties without prejudice to their rights to rely on any other or others of such conditions:

- (a) this Agreement and the Amalgamation, shall have been approved by the shareholders of C2C and the Offeror in accordance with the provisions of the Act and any other applicable regulatory requirements;
- (b) all necessary governmental or regulatory approvals and consents in respect of the Amalgamation shall have been obtained on terms satisfactory to the Offeror or any applicable governmental or regulatory waiting period shall have expired or been terminated;
- (c) no action, suit or proceeding shall have been threatened or taken before or by any court or tribunal and no law shall be proposed or enacted nor shall there have occurred or been threatened a change (or any condition, event or development involving a prospective change) in the business, assets, capitalization, financial condition or prospects of C2C or any of its subsidiaries, which, in the sole judgement of the Offeror, might make it inadvisable for the Offeror to proceed with the Amalgamation;
- (d) the Offeror and C2C shall be satisfied that there are reasonable grounds for believing that at the Redemption Date and after payment of 0.4485 units of Dundee Industrial REIT per Redeemable Preference Share on the Redemption (i) the Corporation will be able to pay its liabilities as they become due, and (ii) the realizable value of the Corporation's assets will not be less than the aggregate of its liabilities.

**ARTICLE 4
DIRECTORS AND OFFICERS**

4.1 Directors

Until changed in accordance with the Act, the board of directors of the Corporation shall consist of such number of directors not more than ten (10) and not less than one (1) as the directors may from time to time determine. Initially, the directors of the Corporation shall be the persons named below, whose citizenship and address is set out opposite each of their names:

Full Name	Address	Citizenship
Peter Crossgrove	20 Victoria Street Suite 900 Toronto, ON M5C 2N8	Canadian
Robert Goodall	20 Adelaide Street East Suite 900 Toronto, ON M5C 2T6	Canadian
Vincenza Sera	30 Adelaide Street East Suite 1600 Toronto, ON M5C 3H1	Canadian

Each director shall hold office until the first meeting of shareholders of the Corporation, or until his or her successor is elected or appointed. Subject to the provisions of the Act, the board of directors of the Corporation shall manage, or supervise the management of, the business and affairs of the Corporation.

4.2 Officers

Initially the persons named below shall hold the office or offices in the Corporation set out opposite their respective names until their successors are duly elected or appointed:

Name	Officer
Randall Cameron	Interim President and Chief Executive Officer
Mario Barrafato	Chief Financial Officer

**ARTICLE 5
ISSUED CAPITAL**

5.1 Amalgamation

On the Effective Date:

- (a) each issued and outstanding C2C Common Share (other than those held by C2C Dissenting Common Shareholders and the Offeror) shall be converted into one Redeemable Preference Share;
- (b) the 16,634,679 issued and outstanding C2C Common Shares held by the Offeror shall be cancelled without any repayment of capital in respect thereof;
- (c) each issued and outstanding C2C Common Share held by a C2C Dissenting Common Shareholder, if any, shall be cancelled and become an entitlement to be paid the fair value of such C2C Common Share and each C2C Dissenting Common Shareholder shall cease to have any rights as a C2C Common Shareholder other than the right to be paid the fair value in respect of the Common Shares formerly held by such C2C Dissenting Common Shareholder in accordance with the provisions of the Act; and
- (d) each issued and outstanding common share of the Offeror shall be converted into Common Shares.

5.2 Stated Capital Accounts

The stated capital account in the records of the Corporation shall be determined as follows:

- (a) for the Redeemable Preference Shares, an amount equal to the share of the aggregate paid-up capital (as defined in the Tax Act) of the C2C Common Shares that is attributable to the C2C Common Shares that were, immediately before the Effective Date, owned by C2C Common Shareholders other than the Offeror; and
- (b) for the Common Shares, the aggregate paid-up capital (as defined in the Tax Act) attributable to the common shares of the Offeror.

5.3 Share Certificates

No certificates shall be issued in respect of the Redeemable Preference Shares issued pursuant to the Amalgamation and such shares shall be evidenced by the certificates representing C2C Common Shares (other than certificates representing C2C Common Shares held by C2C Dissenting Common Shareholders and the Offeror and other than Redeemable Preference Shares that may be issued after the Effective Date).

Share certificates shall be issued in respect of the Common Shares.

Following the Effective Date, the former holders of C2C Common Shares (other than those held by the C2C Dissenting Common Shareholders and the Offeror) shall be entitled to receive 0.4485 units of Dundee Industrial REIT per Redeemable Preference Share representing the Redemption Amount payable upon redemption of the Preference Shares into which their C2C Common Shares are converted on the Amalgamation.

5.4 Fractional Entitlements

No fractional units of Dundee Industrial REIT will be issued pursuant to the Redemption. Holders of Redeemable Preference Shares who would otherwise be entitled to a fraction of a unit of Dundee Industrial REIT will receive a cash payment equal to the product of such fraction of a unit of Dundee Industrial REIT multiplied by the closing price of the Dundee Industrial REIT Units on the TSX on the trading day immediately preceding the Effective Date.

5.5 Prescription Period

On the Effective Date, each C2C Common Shareholder will be removed from C2C's securities register, and until they are validly surrendered, the share certificate(s) representing C2C Common Shares held by such former holder will represent only the right to receive, upon such surrender, 0.4485 units of Dundee Industrial REIT per C2C Common Share (without interest).

Subject to the requirements of applicable law, any share certificate which prior to the Effective Date represented issued and outstanding C2C Common Shares which has not been surrendered, with all other instruments required by the letter of transmittal accompanying the management information circular of C2C dated June 18, 2013, on or prior to the sixth anniversary of the Effective Date will cease to represent any claim or interest of any kind or nature against or in the Corporation, Dundee Industrial Limited Partnership, Dundee Industrial REIT or Equity Financial Trust Company.

ARTICLE 6 DISSENTING C2C COMMON SHAREHOLDERS

6.1 Dissenting C2C Common Shareholders

C2C Common Shares which are held by a Dissenting C2C Common Shareholder shall not be converted into Redeemable Preference Shares and thereafter redeemed for units of Dundee Industrial REIT. However, in the event that a C2C Common Shareholder fails to perfect or effectively withdraws that C2C Common Shareholder's claim under Section 185 of the Act or forfeits that C2C Common Shareholder's right to make a claim under Section 185 of the Act or his or her rights as a shareholder of C2C are otherwise reinstated, each C2C Common Share held by that C2C Common Shareholder shall thereupon be deemed to have been converted as of July 19, 2013 for a Redeemable Preference Share, which Redeemable Preference Share shall be deemed to have been redeemed on the Redemption Date for 0.4485 units of Dundee Industrial REIT.

ARTICLE 7 GENERAL

7.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

7.2 Termination

This Agreement may be terminated by the board of directors of either of C2C or the Offeror, notwithstanding the approval of this Agreement by the C2C Common Shareholders, at any time prior to the endorsement of the certificate on the articles of amalgamation.

7.3 Execution and Delivery

This Agreement may be executed by C2C or the Offeror in counterparts and may be executed and delivered by email and all such counterparts and emails shall together constitute one and the same agreement.

7.4 Amendment

This Agreement may at any time and from time to time be amended by written agreement of C2C or the Offeror without, subject to applicable law, further notice to or authorization on the part of their respective shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the parties hereto;
- (b) waive compliance with or modify any of the covenants contained herein or waive or modify performance of any of the obligations of the parties hereto; or
- (c) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment shall change the provisions hereof regarding the consideration to be received by the C2C Common Shareholder for the C2C Common Shares, without approval of such C2C Common Shareholders, given in the same manner as required for the approval of the Amalgamation.

7.5 Entire Agreement

This Agreement constitutes the entire agreement among the parties to this Agreement relating to the Amalgamation and supersedes all prior agreements and understandings, oral and written, between such parties with respect to the subject matter hereof.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS OF WHICH the Parties have duly executed this Agreement.

**DUNDEE INDUSTRIAL ATLANTIC
ACQUISITION INC.**

By: _____

Name:

Title:

C2C INDUSTRIAL PROPERTIES INC.

By: _____

Name:

Title:

SCHEDULE A
pertaining to the share capital of
the corporation resulting from the amalgamation
(the “Corporation”)

The authorized share capital of the Corporation shall consist of an unlimited number of Common Shares and an unlimited number of Redeemable Preference Shares. The rights, privileges, restrictions and conditions attaching to each class of shares of the Corporation shall be as follows:

REDEEMABLE PREFERENCE SHARES

Redemption

Subject to the requirements of the *Business Corporations Act* (Ontario) (the “**OBCA**”), the Corporation shall, immediately following the issuance of any Redeemable Preference Shares (the “**Time of Redemption**”), redeem all of such Redeemable Preference Shares in accordance with the following provisions of this section. Except as hereinafter provided or as otherwise determined by the Corporation, no notice of redemption or other act or formality on the part of the Corporation shall be required to call the Redeemable Preference Shares for redemption.

At or before each Time of Redemption, the Corporation shall deliver or cause to be delivered to Equity Financial Trust Company or such other bank or trust company as may be appointed by the Corporation from time to time (the “**Depository**”), at its principal office in the City of Toronto, Province of Ontario, 0.4485 units of Dundee Industrial Real Estate Investment Trust (the “**Redemption Amount**”) in respect of each Redeemable Preference Share to be redeemed. Delivery of the aggregate Redemption Amount in such a manner shall be a full and complete discharge of the Corporation’s obligation to deliver the aggregate Redemption Amount to the holders of Redeemable Preference Shares.

No fractional units of Dundee Industrial Real Estate Investment Trust will be issued pursuant to the Redemption. Holders of Redeemable Preference Shares who would otherwise be entitled to a fraction of a unit of Dundee Industrial Real Estate Investment Trust will receive a cash payment equal to the product of such fraction of a unit of Dundee Industrial Real Estate Investment Trust multiplied by the closing price of the units of Dundee Industrial Real Estate Investment Trust on the Toronto Stock Exchange on the trading day immediately preceding the date of the Redemption.

From and after the applicable Time of Redemption, (i) the Depository shall pay and deliver or cause to be paid and delivered to the order of the respective holders of the Redeemable Preference Shares on presentation and surrender at the principal office of the Depository in the City of Toronto, Province of Ontario, of (a) the certificate formerly representing the common shares in the capital of the Corporation’s predecessor, C2C Industrial Properties Inc., which were converted into Redeemable Preference Shares upon the amalgamation resulting in the formation of the Corporation; or (b) the debenture certificate representing 6.75% Convertible Unsecured Subordinated Debentures due November 30, 2017 of the Corporation together with a duly executed conversion notice in accordance with the terms of such debentures; or such other documents as the Depository may, in its discretion, consider acceptable, the total Redemption Amount payable and deliverable to such holders, respectively, (ii) the Corporation shall pay and

deliver or cause to be paid and delivered to the order of the respective holders of the Redeemable Preference Shares on presentation and surrender at the principal office of the Depositary in the City of Toronto, Province of Ontario, of the warrant certificate formerly representing warrants to acquire common shares in the Corporation's predecessor, C2C Industrial Properties Inc., that became warrants to acquire Redeemable Preference Shares upon the amalgamation resulting in the formation of the Corporation, together with the applicable exercise price in accordance with the terms of such warrant; or such other documents as the Corporation may, in its discretion, consider acceptable, and (iii) the former holders of Redeemable Preference Shares shall not be entitled to exercise any of the rights of shareholders in respect thereof except to receive the Redemption Amount therefor, provided that if satisfaction of the Redemption Amount for any Redeemable Preference Share is not duly made by or on behalf of the Corporation in accordance with the provisions hereof, then the rights of such holders shall remain unaffected. Under no circumstances will interest on the Redemption Amount be paid by the Corporation whether as a result of any delay in paying the Redemption Amount or otherwise.

From the applicable Time of Redemption, each Redeemable Preference Share in respect of which deposit of the Redemption Amount is made with the Depositary shall be deemed to be redeemed and cancelled, the Corporation shall be fully and completely discharged from its obligations with respect to the payment of the Redemption Amount to such holders of Redeemable Preference Shares, and the rights of such holders shall be limited to receiving the Redemption Amount payable to them on presentation and surrender of the said certificates held by them or other documents respectively as specified above. Subject to the requirements of applicable law with respect to unclaimed property, if the Redemption Amount has not been fully claimed and paid in accordance with the provisions hereof within six years of the Time of Redemption, the Redemption Amount, including without limitation all interest thereon, shall be forfeited to the Corporation and any person who surrenders certificates after the sixth anniversary of the Time of Redemption will not be entitled to the Redemption Amount or other compensation.

Priority

The Common Shares shall rank junior to the Redeemable Preference Shares and shall be subject in all respects to the rights, privileges, restrictions and conditions attaching to the Redeemable Preference Shares.

Dividends

The holders of the Redeemable Preference Shares shall not be entitled to receive any dividends thereon.

No Voting Rights

Except as otherwise provided in the OBCA, the holders of the Redeemable Preference Shares shall not be entitled to receive notice of, to attend or to vote at any meeting of the shareholders of the Corporation.

Liquidation, Dissolution or Winding-Up

In the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the property or assets of the Corporation among its shareholders for the purpose of winding-up its affairs, and subject to the extinguishment of the rights of holders of Redeemable Preference Shares upon satisfaction of the Redemption Amount in respect of each Redeemable Preference Share as provided herein, the holders of Redeemable Preference Shares shall be entitled to receive, and the Corporation shall pay to such holders, before any amount shall be paid or any property or assets of the Corporation shall be distributed to the holders of Common Shares or any other class of shares ranking junior to the Redeemable Preference Shares as to such entitlement, an amount equal to the Redemption Amount for each Redeemable Preference Share held by them respectively and no more. After payment to the holders of the Redeemable Preference Shares of the amounts so payable to them as herein before provided, they shall not be entitled to share in any further distribution of the property or assets of the Corporation.

COMMON SHARES

Dividends

The holders of the Common Shares shall be entitled to receive dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly available for the payment of dividends of such amounts and payable in such manner as the board of directors of the Corporation may from time to time determine.

Voting Rights

The holders of the Common Shares shall be entitled to receive notice of and to attend any meeting of the shareholders of the Corporation and shall be entitled to one vote in respect of each common share held at such meetings, except a meeting of holders of a particular class or series of shares other than the Common Shares who are entitled to vote separately as a class or series at such meeting.

Liquidation, Dissolution or Winding-Up

In the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the property or assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Common Shares shall, subject to the rights of the holders of any other class of shares of the Corporation entitled to receive the property or assets of the Corporation upon such distribution in priority to or rateably with the holders of the Common Shares, be entitled to receive the remaining property and assets of the Corporation.

APPENDIX C

SUMMARY OF PROCEDURE TO EXERCISE DISSENT RIGHT

The following is a summary of the procedure set out in Section 185 of the Business Corporations Act (Ontario) (“OBCA”) to be followed by a shareholder who intends to dissent from the special resolution (the “Special Resolution”) authorizing and approving the amalgamation of C2C Industrial Properties Inc. (the “Corporation”) and Dundee Industrial Atlantic Acquisition Inc. described in the accompanying Circular and who wishes to require the Corporation to acquire his or her shares and pay him or her the fair value thereof, determined as of the close of business on the day before the Amalgamation Resolution is adopted. Certain terms used but not otherwise defined in this Appendix C have the respective meanings ascribed to such terms in the glossary to the Circular.

Section 185 of the OBCA provides that a shareholder may only make such a claim with respect to all the shares held by him or her on behalf of any one beneficial owner and registered in the shareholder’s name. One consequence of this provision is that a Common Shareholder may only exercise the right to dissent under Section 185 of the OBCA in respect of Common Shares which are registered in that Common Shareholder’s name. In many cases, Common Shares beneficially owned by a person (a “**Non-Registered Holder**”) are registered either: (a) in the name of an intermediary that the Non-Registered Holder deals with in respect of the Common Shares (such as banks, trust companies, securities dealers and brokers, trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, and their nominees); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. (“**CDS**”)) of which the intermediary is a participant. Accordingly, a Non-Registered Holder will not be entitled to exercise the right to dissent under Section 185 of the OBCA directly (unless the shares are re-registered in the Non-Registered Holder’s name). A Non-Registered Holder who wishes to exercise the right to dissent should immediately contact the intermediary who the Non-Registered Holder deals with in respect of the shares and either: (i) instruct the intermediary to exercise the right to dissent on the Non-Registered Holder’s behalf (which, if the shares are registered in the name of CDS or another clearing agency, would require that the share first be re-registered in the name of the intermediary); or (ii) instruct the intermediary to re-register the Common Shares in the name of the Non-Registered Holder, in which case the Non-Registered Holder would have to exercise the right to dissent directly.

A registered Common Shareholder who wishes to invoke the provisions of Section 185 of the OBCA must send to the Corporation a written objection to the Amalgamation Resolution (the “**Notice of Dissent**”) at or before the Meeting. The sending of a Notice of Dissent does not deprive a registered Common Shareholder of his or her right to vote on the Amalgamation Resolution but a vote either in person or by proxy against the Amalgamation Resolution does not constitute a Notice of Dissent. A vote in favour of the Amalgamation Resolution will deprive the registered Common Shareholder of further rights under Section 185 of the OBCA.

Within 10 days after the adoption of the Amalgamation Resolution by the Common Shareholders, the Corporation is required to notify in writing each Common Shareholder who has filed a Notice of Dissent and has not voted for the Amalgamation Resolution or withdrawn his or her objection (a “**Dissenting Common Shareholder**”) that the Amalgamation Resolution has been adopted. A Dissenting Common Shareholder shall, within 20 days after he or she receives notice of adoption of the Amalgamation Resolution or, if he or she does not receive

such notice, within 20 days after he or she learns that the Amalgamation Resolution has been adopted, send to the Corporation a written notice (the “**Demand for Payment**”) containing his or her name and address, the number of Common Shares in respect of which he or she dissents, and a demand for payment of the fair value of such Common Shares. Within 30 days after sending his or her Demand for Payment, the Dissenting Common Shareholder shall send the certificates representing the Common Shares in respect of which he or she dissents to the Corporation or its transfer agent.

The Corporation or the transfer agent shall endorse on the Share Certificates a notice that the holder thereof is a Dissenting Common Shareholder under Section 185 of the OBCA and shall forthwith return the Share Certificates to the Dissenting Common Shareholder.

If a Dissenting Common Shareholder fails to send the Notice of Dissent, the Demand for Payment, or his or her Share Certificates, he or she has no right to make a claim under Section 185 of the OBCA.

After sending a Demand for Payment, a Dissenting Common Shareholder ceases to have any rights as a holder of the Common Shares in respect of which he or she has dissented other than the right to be paid the fair value of such Common Shares as determined under Section 185 of the OBCA, unless: (i) the Dissenting Common Shareholder withdraws his or her Demand for Payment before the Corporation makes a written offer to pay (the “**Offer to Pay**”); (ii) the Corporation fails to make a timely Offer to Pay to the Dissenting Common Shareholder and the Dissenting Common Shareholder withdraws his or her Demand for Payment; or (iii) the Board of Directors revokes the Amalgamation Resolution relating to the Amalgamation, in all of which cases the Dissenting Common Shareholder’s rights as a Common Shareholder are reinstated as of the date of the Demand for Payment.

Not later than seven days after the later of the Effective Date and the day the Corporation receives the Demand for Payment, the Corporation shall send, to each Dissenting Common Shareholder who has sent a Demand for Payment, an Offer to Pay for the Common Shares of the Dissenting Common Shareholder in respect of which he or she has dissented in an amount considered by the Board of Directors to be the fair value thereof, accompanied by a statement showing how the fair value was determined or a notification that the Corporation is unable lawfully to pay Dissenting Common Shareholders for their shares if the Corporation is, or after the payment would be, unable to pay its liabilities as they become due or the realizable value of the Corporation’s assets would thereby be less than the aggregate of its liabilities. The amount specified in an Offer to Pay which has been accepted by a Dissenting Common Shareholder shall be paid by the Corporation within 10 days of the acceptance, but an Offer to Pay lapses if the Corporation has not received an acceptance thereof within 30 days after the Offer to Pay has been made.

If an Offer to Pay is not made by the Corporation or if a Dissenting Common Shareholder fails to accept an Offer to Pay, the Corporation may, within 50 days after the effective date of the Amalgamation or within such further period as a court may allow, apply to the court to fix a fair value for the Common Shares of any Dissenting Common Shareholder. If the Corporation fails to so apply to the court, a Dissenting Common Shareholder may apply to the Ontario Superior Court of Justice (the “**Court**”) for the same purpose within a further period of 20 days or within such further period as the Court may allow. A Dissenting Common Shareholder is not required to give security for costs in any application to the Court.

Before making application to the court or not later than seven days after receiving notice of an application to the Court by a Dissenting Common Shareholder, the Corporation shall give to each Dissenting Common Shareholder who has sent to the Corporation a Demand for Payment and has not accepted an Offer to Pay, notice of the date, place and consequences of the application and of his or her right to appear and be heard in person or by counsel. A similar notice shall be given to each Dissenting Common Shareholder who, after the date of the first mentioned notice and before termination of the proceedings commenced by the application, sends the Corporation a Demand for Payment and does not accept an Offer to Pay, such notice to be sent within 3 days thereafter. All such Dissenting Common Shareholders shall be joined as parties to any such application to the Court to fix a fair value and shall be bound by the decision rendered by the Court in the proceedings commenced by such application. The Court is authorized to determine whether any other person is a Dissenting Common Shareholder who should be joined as a party to such application.

The Court shall fix a fair value for the Common Shares of all Dissenting Common Shareholders and may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Common Shareholder from the effective date of the Amalgamation until the date of payment of the amount ordered by the Court. The fair value fixed by the Court may be more or less than the amount specified in an Offer to Pay. The final order of the Court in the proceedings commenced by an application by the Corporation or a Dissenting Common Shareholder shall be rendered against the Corporation and in favour of each Dissenting Common Shareholder who, whether before or after the date of the order, sends the Corporation a Demand for Payment and does not accept an Offer to Pay. The cost of any application to a Court by the Corporation or a Dissenting Common Shareholder will be in the discretion of the Court. Where, however, the Corporation fails to make an Offer to Pay, the costs of the application by a Dissenting Common Shareholder are to be borne by the Corporation unless the Court otherwise orders.

The above is only a summary and is expressly subject to the dissenting shareholder provisions of Section 185 of the OBCA, which are technical and complex. The full text is attached as Appendix D to this Circular. It is suggested that a Common Shareholder wishing to exercise a right to dissent should seek legal advice, as failure to comply strictly with the provisions of the OBCA may result in the loss or unavailability of the right to dissent.

APPENDIX D

SECTION 185 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)

Rights of dissenting shareholders

185.

- (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,
 - (a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
 - (b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
 - (c) amalgamate with another corporation under sections 175 and 176;
 - (d) be continued under the laws of another jurisdiction under section 181; or
 - (e) sell, lease or exchange all or substantially all its property under subsection 184 (3), a holder of shares of any class or series entitled to vote on the resolution may dissent.

Idem

- (2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,
 - (a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
 - (b) subsection 170 (5) or (6).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Exception

- (3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,
 - (a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or

- (b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986.

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, 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 day before the resolution was adopted.

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent.

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection.

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights.

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

- (a) the shareholder's name and address;

- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares.

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section.

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder.

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

- (a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);
- (b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or
- (c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8), in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10), and the dissenting shareholder is entitled, upon presentation and surrender to the corporation or its transfer agent of any certificate representing the shares that has been endorsed in accordance with subsection (13), to be issued a new certificate representing the same number of shares as the certificate so presented, without payment of any fee.

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,

- (a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or
- (b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms.

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder.

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow.

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders.

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

- (a) has sent to the corporation the notice referred to in subsection (10); and
- (b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made, of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions.

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application.

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders.

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Where corporation unable to pay

(28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

- (a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or
- (b) retain 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.

Idem

(30) 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, after the payment, would be unable to pay its liabilities as they become due; or
- (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission.

Commission may appear

(32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation.