



EDGEFRONT AND NOBEL ANNOUNCE MERGER TO CREATE A \$300 MILLION DIVERSIFIED REIT POISED FOR GROWTH

- Establishes Foundation for Diversified Blue Chip REIT -

TORONTO, ONTARIO and MONTREAL, QUEBEC (February 14, 2017) – Edgefront Real Estate Investment Trust (TSXV:ED.UN) (“Edgefront REIT”) and Nobel Real Estate Investment Trust (TSXV:NEL.UN) (“Nobel REIT”) announced today that they have entered into an arm’s length arrangement agreement (the “Arrangement Agreement”) to create a diversified REIT with 36 commercial properties located across Canada. The combined entity will total 2.1 million square feet of GLA with a combined gross book value of assets of approximately \$300 million. Upon completion of the merger, the combined company is expected to be renamed Nexus Real Estate Investment Trust (“Nexus REIT”).

Under the terms of the Arrangement Agreement, Edgefront REIT and Nobel REIT propose to structure and implement the merger by way of Edgefront REIT acquiring Nobel REIT through a plan of arrangement (“Arrangement”) pursuant to the *Canada Business Corporations Act* whereby unitholders of Nobel REIT will receive, for each trust unit of Nobel REIT held (“Nobel Units”), 1.67 trust units of Edgefront REIT (“Edgefront Units”), or approximately 17,454,227 Edgefront Units in total. All other holders of securities that are convertible into Nobel Units will receive equivalent securities of Edgefront REIT that will be convertible into Edgefront Units, or will be entitled to convert their convertible securities into Edgefront Units totalling up to an additional approximately 1,662,540 Edgefront Units, upon the same financial conditions. The Arrangement is expected to occur on a tax-deferred rollover basis for Canadian residents.

Kelly Hanczyk, President and CEO of Edgefront REIT, commented: “The merger with Nobel REIT is a very attractive opportunity for our unitholders. We see several synergies and cost saving areas between our two portfolios. Furthermore, the addition of RFA Capital as another strategic unitholder and partner will assist the larger combined REIT in identifying high quality acquisition opportunities through their robust pipeline of real estate assets. We are confident that our unitholders will benefit from the value creation opportunities that will be realized through an expanded and more diversified asset base.”

Jean Teasdale, President and CEO of Nobel, stated: “This merger represents an opportunity to rebrand Nobel REIT and create a new diversified Canadian REIT with improved access to capital, a larger geographic footprint and a new strategic partner with TriWest. Edgefront REIT has a strong, diversified industrial real estate portfolio, with quality tenants and long-term leases in place. We look forward to combining Edgefront with our commercial properties across Quebec.”

Benefits of the Proposed Transaction

The Boards of Trustees of Edgefront REIT and Nobel REIT believe the merger will provide substantial benefits to unitholders, including the following:

- Expected to be accretive to AFFO per unit for the first year following the transaction, with additional organic growth and further accretion upon completion of the lease-up strategy with respect to a quality downtown Montreal office property;
- Immediate synergies with reduction in G&A costs through the internalization and integration of each of Edgefront REIT's and Nobel REIT's highly experienced management teams, operating platforms and the elimination of redundant public company costs;
 - The fully internalized management structure will emulate the existing structures of "Best in Class" Canadian REITs
- Increased Portfolio Diversification: As a result of the merger, the combined entity will have broader portfolio diversification geographically, by asset class and by tenant base;
 - Asset Composition: Industrial (78%), Office (16%), Retail (3%), Mixed-Use (3%);
 - Tenant Diversification: 76 combined tenants across various industry sectors; and
 - Geographic Diversification: Quebec (42%), Alberta (26%), Ontario (13%), Saskatchewan (8%), BC (8%), Other (3%);
- Enhanced capital markets presence, a potential lower cost of capital, and re-valuation;
- Unitholders should have enhanced liquidity following the Proposed Transaction; and
- Proprietary access to a robust pipeline of quality acquisition opportunities and relationships through TriWest Capital Partners ("TriWest") and RFA Capital Partners Inc. ("RFA").

Management and Operations of Nexus REIT

The senior executive team and the Board of Trustees of Nexus REIT will draw from the extensive experience and expertise of both companies. Mr. Kelly Hanczyk and Mr. Jean Teasdale will assume the leadership of Nexus REIT and be appointed co-Chief Executive Officers of the combined company, and Mr. Robert Chiasson will become Chief Financial Officer. The Board of Trustees of Nexus REIT will be comprised of the two co-Chief Executive Officers, three nominees from Edgefront REIT, including the Chairman, and two nominees from Nobel REIT.

Transaction Details

The transaction will be subject to unitholder approval of both Nobel REIT and Edgefront REIT at special meetings of each of their unitholders that are expected to be held in late March 2017. The companies intend to mail the special meeting management proxy circulars as soon as practicable. The transaction is also subject to regulatory approvals (including the approval of the TSX Venture Exchange), court approvals of the Arrangement, required consents and other customary closing conditions. Assuming all closing conditions are met or waived, the Arrangement is expected to be completed in April 2017. Both companies have agreed, subject to customary conditions, not to solicit other offers or acquisition proposals, to provide a right to match any superior proposal received on an unsolicited basis, and to pay a

reciprocal break fee of \$2.0 million or to reimburse expenses up to \$1.0 million in certain specified circumstances.

The Arrangement Agreement will be available on SEDAR at www.sedar.com. Copies of Edgefront REIT's and Nobel REIT's management proxy circulars and certain related documents will be sent to unitholders and filed with the Canadian securities regulators and will also be available on SEDAR. Unitholders are encouraged to review the detailed information contained in such documents and vote at their respective meetings.

Nobel Board of Trustees and Special Committee Recommendations

The Board of Trustees of Nobel REIT has unanimously approved the Arrangement and recommends that Nobel REIT unitholders vote in favour of the Arrangement. Based on the recommendation of a special committee of independent trustees and certain other factors, the Board of Trustees of Nobel REIT has determined that the consideration to be received by Nobel REIT unitholders pursuant to the Arrangement is fair, from a financial point of view, and that the Arrangement is in the best interests of Nobel REIT. Nobel REIT's Board of Trustees has received an opinion from its financial advisor, Trimaven Capital Advisors, that the consideration to be received by unitholders of Nobel REIT pursuant to the Arrangement is fair, from a financial point of view, to unitholders of Nobel REIT. RFA, together with RFA Nobel LP, which is Nobel REIT's largest single unitholder controlling 7,624,333 Nobel REIT units, or approximately 72.5% of the outstanding Nobel REIT voting units, has entered into a voting support and lock-up agreement supporting the Arrangement. In addition, each of the trustees and senior management of Nobel REIT who combined beneficially own or control approximately 1.1% of the outstanding Nobel REIT voting units, intends to vote their units in favour of the Arrangement.

Edgefront Board of Trustees and Special Committee Recommendations

The Board of Trustees of Edgefront REIT has unanimously approved the Arrangement and recommends that Edgefront REIT unitholders vote in favour of the transaction. Based on the recommendation of a special committee of trustees and certain other factors, the Board of Trustees of Edgefront REIT has determined that the consideration to be paid by Edgefront REIT pursuant to the Arrangement is fair, from a financial point of view to unitholders of Edgefront REIT, and that the Arrangement is in the best interests of Edgefront REIT. Edgefront REIT's Board of Trustees has received an opinion from its financial advisor, Desjardins Capital Markets, that the consideration to be paid by Edgefront REIT pursuant to the Arrangement is fair, from a financial point of view, to unitholders of Edgefront REIT. TriWest, which is Edgefront REIT's largest single unitholder, controlling 10,957,374 Edgefront REIT units, or approximately 26% of the outstanding Edgefront REIT units, has entered into a voting support agreement supporting the Arrangement. In addition, each of the trustees and senior management of Edgefront REIT, who combined beneficially own or control approximately 11% of the outstanding Edgefront REIT units, intends to vote their units in favour of the transaction.

Advisors and Counsel

Desjardins Capital Markets is acting as financial advisor to Edgefront REIT in connection with the proposed transaction and Blake, Cassels & Graydon LLP was engaged as counsel to act on behalf of Edgefront REIT.

Trimaven Capital Advisors is acting as financial advisor to the special committee of independent trustees of Nobel in connection with the proposed transaction and Osler, Hoskin & Harcourt LLP was engaged as counsel to act on behalf of Nobel REIT.

Conference Call

Edgefront REIT and Nobel REIT will host a joint conference call on February 15, 2017 at 1:00 p.m. Eastern Time for members of the investment community to discuss the merger. Participants may join the conference call using the following call-in details:

Conference ID: 21846754

North American toll-free: (800) 708-3128

An investor presentation regarding the merger will be made available on the respective websites of both companies before the call.

About Edgefront

Edgefront REIT is a growth oriented real estate investment trust focused on increasing unitholder value through the acquisition, ownership and management of industrial properties located in primary and secondary markets in North America. The REIT currently owns a portfolio of 20 properties comprising approximately 1,180,000 square feet of rentable area.

About Nobel

Nobel REIT is an unincorporated open-ended real estate investment trust governed by the laws of the Province of Québec. Nobel REIT has been created for the purpose of acquiring and owning income producing properties. The REIT focuses on acquiring commercial retail, mixed-used retail, industrial and office properties in the primary markets in the Province of Québec and Canada. Nobel REIT currently owns, in whole or in part, directly or indirectly, sixteen properties located in Québec, comprising more than 869,000 square feet of gross leasable area.

Cautionary Statement Regarding Forward-Looking Statements

This news release contains forward-looking statements about Nobel REIT and Edgefront REIT. Forward-looking statements are typically identified by words such as “expect”, “anticipate”, “believe”, “foresee”, “could”, “estimate”, “goal”, “intend”, “plan”, “seek”, “strive”, “will”, “may”, “potential” and “should” and similar expressions. Forward-looking statements reflect current estimates, beliefs and assumptions which are based on Nobel REIT’s and Edgefront REIT’s perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. Nobel REIT’s and Edgefront REIT’s estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and, as such, are subject to change. Nobel REIT and Edgefront REIT can give no assurance that such estimates, beliefs and assumptions will prove to be correct.

Forward-looking statements in this news release contain those relating to: the extent to which the transaction is expected to be accretive to Nexus REIT; Nexus REIT’s financial position following the

completion of the transaction and its property portfolio, cash flow and growth prospects; certain strategic benefits, and capital markets, operational, competitive and cost synergies; the expected benefits to unitholders of both Nobel REIT and Edgefront REIT; the expected execution of the Arrangement Agreement, closing of the proposed transaction and the expected timing of such; tax-deferred rollover basis of the Arrangement for Canadian residents; the board and management team following completion of the proposed transaction and the receipt of the necessary unitholder approvals and the proposed timing of the unitholder meetings.

Numerous risks and uncertainties could cause actual results to differ materially from the estimates, beliefs and assumptions expressed or implied in the forward-looking statements, including, but not limited to: economic and market factors specific to the real estate industry; general economic and market factors; local real estate conditions; interest rates; the availability of equity and debt financing; efficiencies and operating costs; tax related matters; reliance on key personnel; additional funding requirements; governmental regulations; environmental regulation and liability; competition; uninsured risks; litigation; trustees' and officers' conflicts of interest; and the risks associated with the transaction.

Readers are cautioned that the foregoing list of factors is not exhaustive. Other risks and uncertainties not presently known to Nobel REIT and Edgefront REIT or that Nobel REIT and Edgefront REIT presently believe are not material could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Additional information on these and other factors that could affect the operations or financial results of Nobel REIT or Edgefront REIT are included in documents filed by Nobel REIT and Edgefront REIT with applicable securities regulatory authorities and may be accessed through the SEDAR website at www.sedar.com.

There can be no assurance that the proposed transaction will occur or that the anticipated strategic benefits and operational, competitive and cost synergies will be realized. The proposed transaction is subject to various regulatory approvals and the fulfillment of certain other conditions, including approval of unitholders of Nobel REIT and Edgefront REIT, and there can be no assurance that any such approvals will be obtained and/or any such conditions will be met. The proposed transaction could be modified, restructured or terminated.

The forward-looking statements contained in this news release are expressly qualified in their entirety by this cautionary statement. All forward-looking statements in this press release are made as of the date of this press release. Nobel REIT and Edgefront REIT do not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise, except as required by law.

This news release contains information provided by each of Nobel REIT and Edgefront REIT. The information concerning each of Nobel REIT and Edgefront REIT contained in this news release has been provided by Nobel REIT and Edgefront REIT, as applicable. Although neither Nobel REIT nor Edgefront REIT has knowledge that would indicate that any of information about the other is untrue or incomplete, neither Nobel REIT nor Edgefront REIT assumes any responsibility for the accuracy or completeness of information about the other.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

NOT FOR DISSEMINATION IN THE UNITED STATES OR DISTRIBUTION THROUGH UNITED STATES NEWS OR WIRE SERVICES.

For further information:

Edgefront Real Estate Investment Trust

Kelly C. Hanczyk

President and Chief Executive Officer

(416) 906-2379

Nobel Real Estate Investment Trust

Jean Teasdale

President and Chief Executive Officer

(514) 840-9339