

ARRANGEMENT AGREEMENT

THIS AGREEMENT is made as of the 1st day of May, 2015.

BETWEEN:

MOHAWK MEDICAL GENERAL PARTNER (I) CORP. a corporation existing under the laws of the Province of Alberta ("**Master GP**")

- and -

MOHAWK MEDICAL OPERATING PARTNERSHIP (I) LP a limited partnership existing under the laws of the Province of Alberta ("**Master LP**")

- and -

MOHAWK MEDICAL PROPERTY GP (I) CORP. a corporation existing under the laws of the Province of Alberta ("**Master Property GP**")

- and -

MOHAWK MEDICAL PROPERTIES REAL ESTATE INVESTMENT TRUST, an unincorporated mutual fund trust ("**Mohawk Trust**")

- and -

MOHAWK STRATFORD OPPORTUNITY PARTNERS (I) LP, a limited partnership existing under the laws of the Province of Ontario ("**Stratford LP**")

- and -

MOHAWK STRATFORD GENERAL PARTNER (I) LP, a limited partnership existing under the laws of the Province of Ontario ("**Stratford GPLP**")

- and -

MOHAWK STRATFORD GP (I) CORP. a corporation existing under the laws of the Province of Ontario ("**Stratford GP Corp.**")

- and -

MOHAWK MEDICINE HAT OPPORTUNITY PARTNERS (I) LP, a limited partnership existing under the laws of the Province of Ontario ("**Medicine Hat LP**")

- and -

MOHAWK MEDICINE HAT GENERAL PARTNER (I) LP, a limited partnership existing under the laws of the Province of Ontario ("**Medicine Hat GPLP**")

- and -

MOHAWK MEDICINE HAT GP (I) CORP. a corporation existing under the laws of the Province of Ontario ("**Medicine Hat GP Corp.**")

- and -

MOHAWK BELLEVILLE OPPORTUNITY PARTNERS (I) LP, a limited partnership existing under the laws of the Province of Ontario ("**Belleville LP**")

- and -

MOHAWK BELLEVILLE GENERAL PARTNER (I) LP, a limited partnership existing under the laws of the Province of Ontario ("**Belleville GPLP**")

- and -

MOHAWK BELLEVILLE GP (I) CORP. a corporation existing under the laws of the Province of Ontario ("**Belleville GP Corp.**")

- and -

MOHAWK VAUGHAN OPPORTUNITY PARTNERS (I) LP, a limited partnership existing under the laws of the Province of Ontario ("**Vaughan LP**")

- and -

MOHAWK VAUGHAN GENERAL PARTNER (I) LP, a limited partnership existing under the laws of the Province of Ontario (the "**Vaughan GPLP**")

- and -

MOHAWK VAUGHAN GP (I) CORP. a corporation existing under the laws of the Province of Ontario ("**Vaughan GP Corp.**")

- and -

MOHAWK OTTAWA OPPORTUNITY PARTNERS (I) LP, a limited partnership existing under the laws of the Province of Ontario ("**Ottawa LP**")

- and -

MOHAWK OTTAWA GENERAL PARTNER (I) LP, a limited partnership existing under the laws of the Province of Ontario ("**Ottawa GPLP**")

- and -

MOHAWK OTTAWA GP (I) CORP., a corporation existing under the laws of the Province of Ontario ("**Ottawa GP Corp.**")

- and -

ARCTERO INC., a corporation existing under the laws of the Province of Ontario

- and -

GENEVA-PACIFIC CAPITAL MANAGEMENT LTD., corporation existing under the laws of the Province of Ontario

- and -

SEAN NAKAMOTO, an individual residing in the Province of Ontario

- and -

ANDREW SHAPACK, an individual residing in the Province of Ontario

BACKGROUND:

- (i) the Parties hereto wish to carry out a series of transactions resulting in, among other things: (i) Master LP acquiring the shares of each Property GP Corp.; (ii) Master LP acquiring the limited partnership units of each Property GPLP; (iii) Master LP contributing the shares of the Property GP Corps to Master Property GP; (iv) Master LP transferring limited partnership units of the Property GPLPs to Master Property GP; (v) the winding up of each of Stratford GPLP, Medicine Hat GPLP, Belleville GPLP, Vaughan GPLP and Ottawa GPLP; (vi) the amalgamation of each of the Property GP Corps with Master Property GP; and (vii) Master LP acquiring all of the Partnership LP Units;
- (ii) the Parties intend to carry out the transactions or events contemplated by Recital (i) above by way of an arrangement under section 193 of the *Business Corporations Act* (Alberta), substantially on the terms and subject to the conditions set out in the Plan of Arrangement attached hereto as Schedule "A"; and
- (iii) the Parties have entered into this Arrangement Agreement to provide for the matters referred to in the foregoing Recitals and for other matters relating to such arrangement;

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

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

Whenever used in this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following defined words and terms have the indicated meanings and grammatical variations of such words and terms have corresponding meanings:

- (a) "**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;
- (b) "**Agreement**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean and refer to this Arrangement Agreement (including the schedules hereto) as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof;
- (c) "**Applicable Canadian Securities Laws**" means, collectively, and as the context may require, the securities legislation of each of the provinces and territories of Canada and the rules, regulations and policies published and/or promulgated thereunder;
- (d) "**Applicable Laws**" means all applicable corporate laws, rules of applicable stock exchanges and Applicable Canadian Securities Laws;
- (e) "**Arrangement**" means the arrangement, pursuant to Section 193 of the ABCA, on the terms set out in the Plan of Arrangement, as supplemented, modified or amended in accordance with the Plan of Arrangement or made at the direction of the Court in the Written Resolution Order;
- (f) "**Articles of Arrangement**" means the articles of arrangement in respect of the Arrangement required under Subsection 193(10) of the ABCA to be sent to the Registrar after the Final Order has been granted, to give effect to the Arrangement;
- (g) "**Belleville LP**" means Mohawk Belleville Opportunity Partners (I) LP;
- (h) "**Belleville LP Units**" means the limited partnership units of Belleville LP;
- (i) "**Belleville Resolution**" means the written resolution approved by holders of Belleville LP Units holding not less than 66 $\frac{2}{3}$ % of the issued and outstanding Belleville LP Units;
- (j) "**Business Day**" means, with respect to any action to be taken, any day, other than a Saturday, Sunday or a statutory holiday in the place where such action is to be taken;
- (k) "**Certificate**" means the certificate or other proof of filing issued by the Registrar pursuant to subsection 193(12) of the ABCA giving effect to the Arrangement;
- (l) "**Court**" means the Court of Queen's Bench of Alberta;
- (m) "**Depositary**" means such person that may be appointed by Master LP and Mohawk Trust for the purpose of receiving deposits of certificates representing Property LP Units;
- (n) "**Dissent Rights**" has the meaning ascribed thereto in the Plan of Arrangement;

- (o) "**Effective Date**" means the date the Arrangement becomes effective under the ABCA, as contemplated in **Section 2.2**;
- (p) "**Effective Time**" has the meaning ascribed there to in the Plan of Arrangement;
- (q) "**Encumbrance**" means any mortgage, hypothec, prior claim, lien, pledge, assignment for security, security interest, guarantee, right of third parties or other charge, encumbrance, or any collateral securing the payment obligations of any third party, as well as any other agreement or arrangement with any similar effect whatsoever;
- (r) "**Final Order**" means the order of the Court approving the Arrangement pursuant to Section 193 of the ABCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (s) "**Governmental Authority**" means any domestic or foreign federal, provincial, state or local governmental, regulatory or administrative authority, department, court, agency, commission, board or tribunal or official, including any political subdivision thereof;
- (t) "**Laws**" means all laws (including, for greater certainty, common law), all statutes, regulations, by-laws, statutory rules, orders, ordinances, protocols, codes, guidelines, notices and directions enacted by a Governmental Authority (including all Applicable Canadian Securities Laws) and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority or self-regulatory authority;
- (u) "**Master GP**" means Mohawk Medical General Partner (I) Corp., a corporation incorporated under the laws of the Province of Alberta;
- (v) "**Master LP**" means Mohawk Medical Operating Partnership (I) LP, a limited partnership existing under the laws of the Province of Alberta;
- (w) "**Master LP Units**" means the class A units, series 2 of Master LP as constituted on the date hereof;
- (x) "**Master Property GP**" means, Mohawk Medical Property GP (I) Corp. a corporation incorporated pursuant to the laws of Alberta;
- (y) "**material adverse change**" or "**material adverse effect**" means, with respect to a Party, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, operations, assets, capitalization, financial condition or prospects of the Party and its subsidiaries, taken as a whole, other than any matter, action, effect or change relating to or resulting from: (i) general economic, financial, currency exchange, securities or commodity prices in Canada or elsewhere, (ii) conditions affecting the oil and natural gas exploration, exploitation, development and production industry as a whole, and not specifically relating to the Party and/or its subsidiaries, including changes in laws (including tax laws) and royalties, (iii) any decline in crude oil or natural gas prices on a current or forward basis, (iv) any matter which has been communicated in writing to the other Party as of the date hereof, or (v) any changes or effects arising from matters permitted or contemplated by this Agreement or consented to or approved in writing by the other Party;
- (z) "**material change**" has the meaning ascribed thereto in the *Securities Act* (Alberta);

- (aa) "**Medicine Hat LP**" means Mohawk Medicine Hat Opportunity Partners (I) LP;
- (bb) "**Medicine Hat LP Units**" means the limited partnership units of Medicine Hat LP as constituted on the date hereof;
- (cc) "**Medicine Hat Resolution**" means the written resolution approved by holders of Medicine Hat LP Units holding not less than 66 $\frac{2}{3}$ % of the issued and outstanding Medicine Hat LP Units;
- (dd) "**misrepresentation**" has the meaning ascribed thereto in the *Securities Act* (Alberta);
- (ee) "**Mohawk Parties**" means, collectively, Master GP, Master LP, Mohawk Trust and Master Property GP prior to the completion of the Arrangement and "**Mohawk Party**" means any of them;
- (ff) "**Mohawk Trust**" means Mohawk Medical Properties Real Estate Investment Trust, an unincorporated mutual fund trust established under the laws of the Province of Alberta pursuant to the Trust Indenture;
- (gg) "**Ottawa LP**" means Mohawk Ottawa Opportunities Partners (I) LP;
- (hh) "**Ottawa LP Units**" means the limited partnership units of Ottawa LP as constituted on the date hereof;
- (ii) "**Ottawa Resolution**" means the written resolution approved by holders of Ottawa LP Units holding not less than 66 $\frac{2}{3}$ % of the issued and outstanding Ottawa LP Units;
- (jj) "**Parties**" means, collectively, the Mohawk Parties, the Property LP Parties and the Property GP Securityholders; and Party means any of them;
- (kk) "**Plan of Arrangement**" means the plan of arrangement substantially in the form set out in Schedule "A" to this Agreement, as the same may be amended or supplemented from time to time in accordance with the terms thereof or at the direction of the Court in the Written Resolution Order;
- (ll) "**Property GP Corps**" means, collectively, Mohawk Stratford GP (I) Corp., Mohawk Medicine Hat GP (I) Corp., Mohawk Belleville GP (I) Corp., Mohawk Vaughan GP (I) Corp. and Mohawk Ottawa GP (I) Corp.; and "**Property GP Corp.**" means any of them;
- (mm) "**Property GP Securities**" means, collectively: (i) the limited partnership units of each of Stratford GPLP, Medicine Hat GPLP, Belleville GPLP, Vaughan GPLP and Ottawa GPLP; and (ii) the common shares of each of Stratford GP Corp., Medicine Hat GP Corp., Belleville GP Corp., Vaughan GP Corp. and Ottawa GP Corp;
- (nn) "**Property GP Securityholders**" means the holders of the Property GP Securities, which as of the date hereof is Arctero Inc. and Geneva-Pacific Capital Management Ltd with respect to Mohawk Medicine Hat GP (I) Corp, Mohawk Belleville GP (I) Corp., Mohawk Vaughan GP (I) Corp. and Mohawk Ottawa GP (I) Corp and is Sean Nakamoto and Andrew Shapack with respect to Mohawk Stratford GP (I) Corp.;
- (oo) "**Property GPLPs**" means, collectively, Stratford GPLP, Medicine Hat GPLP, Belleville GPLP, Vaughan GPLP and Ottawa GPLP; and "**Property GPLP**" means any of them;

- (pp) **"Property LP Parties"** means, collectively, the Property LPs, the Property GPLPs and the Property GP Corps.;
- (qq) **"Property LP Partnership Agreements"** means collectively:
- (i) the Mohawk Stratford Opportunity Partners (I) LP amended and restated limited partnership agreement date May 1, 2015;
 - (ii) the Mohawk Medicine Hat Opportunity Partners (I) LP amended and restated limited partnership agreement dated April 22, 2013;
 - (iii) the Mohawk Belleville Opportunity Partners (I) LP amended and restated limited partnership agreement dated March 28, 2014;
 - (iv) the Mohawk Vaughan Opportunity Partners (I) LP amended and restated limited partnership agreement dated June 5, 2014; and
 - (v) the Mohawk Ottawa Opportunity Partners (I) LP amended and restated limited partnership agreement dated October 9, 2014;
- (rr) **"Property LP Unitholder"** means a holder of a Property LP Unit;
- (ss) **"Property LP Units"** means, collectively, the Stratford LP Units, the Medicine Hat LP Units, the Belleville LP Units, the Vaughan LP Units and the Ottawa LP Units;
- (tt) **"Property LPs"** means, collectively, Stratford LP, Medicine Hat LP, Belleville LP, Vaughan LP and Ottawa LP; and **"Property LP"** means any of them;
- (uu) **"Stratford LP"** means Mohawk Stratford Opportunity Partners (I) LP;
- (vv) **"Stratford LP Units"** means the limited partnership units of Stratford LP as constituted on the date hereof;
- (ww) **"Stratford Resolution"** means the written resolution approved by holders of Stratford LP Units holding not less than 66 $\frac{2}{3}$ % of the issued and outstanding Stratford LP Units;
- (xx) **"Registrar"** means the Registrar of Corporations for the Province of Alberta appointed under Section 263 of the ABCA;
- (yy) **"Returns"** means all reports, estimates, notices, elections, designations, forms, declarations of estimated tax, information statements and returns relating to, or required to be filed in connection with, any Taxes;
- (zz) **"subsidiary"** has the meaning ascribed thereto in the *Securities Act* (Alberta);
- (aaa) **"Tax Act"** means the *Income Tax Act* (Canada) R.S.C. 1985, c. 1 (5th Supp.) as amended, including the regulations promulgated thereunder;
- (bbb) **"Tax"** or **"Taxes"** means all taxes, duties, fees, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, together with all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof, including those levied on, or measured by, or referred to as, income, gross

receipts, profits, capital, large corporation, capital gain, alternative minimum, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, all employment insurance, health insurance and Canada and other Governmental Authority pension plan and workers compensation premiums or contributions including any interest, fines or penalties for failure to withhold, collect or remit any tax and any liability for such taxes imposed by law with respect to any other Person arising pursuant to any tax sharing, indemnification or other agreements or any liability for taxes of any predecessor or transferor entity and whether disputed or not;

- (ccc) "**Trust Indenture**" means the trust indenture made as of the 1st day of May, 2015 between the Trustee, Master GP and holders of Trust Units, as may be from time to time, amended, supplemented or restated;
- (ddd) "**Trust Unit**" means a unit of Mohawk Trust;
- (eee) "**Trustees**" means Andrew Shapack and Sean Nakamoto;
- (fff) "**Vaughan LP**" means Mohawk Vaughan Opportunity Partners (I) LP;
- (ggg) "**Vaughan LP Units**" means the limited partnership units of Vaughan LP as constituted on the date hereof;
- (hhh) "**Vaughan Resolution**" means the written resolution approved by holders of Vaughan LP Units holding not less than 66 $\frac{2}{3}$ % of the issued and outstanding Vaughan LP Units;
- (iii) "**Written Resolution Deadline**" means July 31, 2015, or such later date as may be agreed to by Mohawk;
- (jjj) "**Written Resolution Order**" means the order of the Court approving the Arrangement pursuant to Subsection 193(9) of the ABCA in respect of each of the relevant Parties as such order may be affirmed, amended or modified by any court of competent jurisdiction, such order to be applied for each of the relevant Parties by in the event that the applicable Written Resolution is passed as provided for herein; and
- (kkk) "**Written Resolutions**" means, collectively, the Stratford Resolution, the Medicine Hat Resolution, the Belleville Resolution, the Vaughan Resolution and the Ottawa Resolution; and "**Written Resolution**" means any of them.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and subsections is for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "herein" and "hereunder" and similar expressions refer to this Agreement (including Schedule "A") and not to any particular article, section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

1.3 Number, etc.

Words importing the singular number include the plural and vice versa, words importing the use of any gender include all genders, and words importing persons include firms, companies and corporations and vice versa.

1.4 Date for Any Action

If any date on which any action is required to be taken hereunder by either of the Parties is not a Business Day, such action shall be taken on the next succeeding day that is a Business Day.

1.5 Entire Agreement

This Agreement together with the agreements and documents herein and therein referred to, constitute the entire agreement among the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties with respect to the subject matter hereof. For greater certainty, the Support Agreements are separate agreements between the parties thereto and are unaffected by this **Section 1.5**.

1.6 Currency

All sums of money referred to in this Agreement are expressed in lawful money of Canada.

1.7 References to Legislation

References in this Agreement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

1.8 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, it refers to the actual knowledge of the senior officers of the Party after due inquiry.

1.9 Actions by General Partners

Any covenant made or any action to be taken by a Property LP or Property GPLP herein shall also be construed as such covenant being made and such action to be taken by the appropriate Property GPLP on behalf of such in its capacity as general partner of such Property LP, and by the appropriate Property GP Corp. on behalf of such Property GPLP in its capacity as general partner of such Property GPLP.

1.10 Schedule

The following schedule attached hereto is incorporated into, and forms an integral part of, this Agreement:

Schedule "A" - Plan of Arrangement

ARTICLE 2
THE ARRANGEMENT AND MEETING

2.1 Plan of Arrangement

- (a) The Parties agree to carry out the Arrangement in accordance with and subject to the terms and conditions contained in this Agreement and the Plan of Arrangement.
- (b) Following the execution of this Agreement, the Property LP Parties shall use all commercially reasonable efforts to obtain the Written Resolutions on or before the Written Resolution Deadline.
- (c) If the Property LP Parties have obtained the Written Resolutions on or before the Written Resolution Deadline, the Property LP Parties, as applicable, shall forthwith apply to the Court, in a manner reasonably acceptable to the Mohawk Parties, for the Written Resolution Order and thereafter diligently seek the Written Resolution Order.
- (d) Upon receipt of the Written Resolution Order and subject to the conditions precedent in Article 5, the applicable Parties shall proceed to file the Articles of Arrangement, the Written Resolution Order and such other documents as may be required to give effect to the Arrangement with the Registrar pursuant to Subsection 193(10) of the ABCA, whereupon the transactions comprising the Arrangement shall occur and shall be deemed to have occurred in the order set out in the Plan of Arrangement without any act or formality.

2.2 Continuance and Partnership Amendments

- (a) The Property GP Corps shall take all such steps as are necessary to effect a continuance of each Property GP Corp under the ABCA pursuant to Section 188 of the ABCA prior to receipt of the Written Resolution Order.
- (b) Stratford LP, through its general partner, shall take all steps as are necessary to amend the Mohawk Stratford Opportunity Partners (I) Limited Partnership Agreement to provide for the ability to approve the Arrangement by way of the Stratford Resolution.

2.3 Effective Date

The Arrangement shall become effective at the Effective Time on the Effective Date. The Certificate shall be conclusive evidence that the Arrangement has become effective as of the Effective Time.

2.4 Officers and Employees

The Parties hereto agree and acknowledge that no directors, officers, employees or consultants of any Property LP Party shall be entitled to change of control, retention, bonus, termination or severance payments (or both) solely as a result of the completion of the Arrangement.

2.5 Income Tax Election

Each Property LP Unitholder (other than one exercising Dissent Rights) shall be entitled to make a joint election with Master LP pursuant to subsection 97(2) of the Tax Act, (and the analogous provisions of provincial or territorial income tax law), with respect to the transfer by the Property LP Unitholder of Property LP Units to Master LP.

ARTICLE 3 COVENANTS

3.1 Covenants of the Mohawk Parties

From the date hereof until the earlier of the Effective Time or the termination of this Agreement in accordance with **Article 7**, except with the prior written consent of each of the Property LPs (such consent not to be unreasonably withheld or delayed), and as otherwise expressly permitted or specifically contemplated by this Agreement or the Plan of Arrangement or as otherwise required by Applicable Laws:

- (a) Each Mohawk Party shall conduct its business only in the usual and ordinary course of business consistent with past practice and it shall use commercially reasonable efforts to maintain and preserve its business, assets and advantageous business relationships.
- (b) Each Mohawk Party shall not, directly or indirectly, do or permit any of the following to occur: (i) amend its constating documents; (ii) amend its dividend policy or declare, set aside or pay any dividend or other distribution or make any other payment (whether in cash, shares or property) in respect of its outstanding shares other than in the ordinary course (which may include any ordinary course dividend increase); (iii) split, combine or reclassify any of its securities; (iv) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution; (v) reduce the stated capital of any of its outstanding securities; (vi) take any action, refrain from taking any action or permit any action to be taken or not taken that is inconsistent with this Agreement, which might, directly or indirectly, interfere with or affect, in any material way, the consummation of the Arrangement; or (vii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing.
- (c) Mohawk shall not take any action, refrain from taking any action or permit any action to be taken or not taken, that would render, or might reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any materially adverse respect.
- (d) On the Effective Date, Mohawk shall provide the Depositary an irrevocable direction authorizing and directing such depositary to deliver the Trust Units and Master LP Units issuable pursuant to the Arrangement to Property LP Unitholders in accordance with the Plan of Arrangement.
- (e) Each Mohawk Party will make all filings and applications under Applicable Laws, including Applicable Canadian Securities Laws and applicable U.S. securities laws, that are required to be made on the part of Mohawk in connection with the transactions contemplated herein and shall take all action that may be necessary to be in compliance, in all material respects, with such Applicable Laws.
- (f) Each Mohawk Party will cause to be taken all necessary corporate action to allot and reserve for issuance the Trust Units and Master LP Units to be issued in exchange for the Property LP Units and the Property GP Securities in connection with the Arrangement.

3.2 Covenants of the Property LPs

From the date hereof until the earlier of the completion of the Arrangement or the termination of this Agreement in accordance with **Article 7**, except with the prior written consent of Mohawk (such consent not to be unreasonably withheld or delayed), and except as otherwise expressly

permitted or specifically contemplated by this Agreement, the Plan of Arrangement, or as otherwise required by Applicable Laws:

- (a) Each Property LP shall conduct its business in the usual and ordinary course of business consistent with past practice and it shall use commercially reasonable efforts to maintain and preserve its business, assets and advantageous business relationships.
- (b) Other than as specifically provided herein, no Property LP shall, directly or indirectly, do or permit any of the following to occur: (i) amend its constating documents; (ii) declare, set aside or pay any dividend or other distribution or make any other payment (whether in cash, shares or property) in respect of its outstanding securities; (iii) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any securities, including securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, unissued securities; (iv) redeem, purchase or otherwise acquire any of its outstanding securities; (v) split, combine or reclassify any of its securities; (vi) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization; (vii) pursue, complete or agree to complete any corporate or royalty acquisition or disposition, amalgamation, merger, arrangement or purchase or sale of assets or make any material change to its business, capital or affairs; (viii) reduce the stated capital of any of its outstanding securities; (ix) pay, discharge or satisfy any material claims, liabilities or obligations, other than in the ordinary course of business consistent with past practice; (x) surrender, release or abandon the whole or any part of its assets; (xi) terminate any employees; (xii) take any action, refrain from taking any action or permit any action to be taken or not taken that is inconsistent with this Agreement, which might, directly or indirectly, interfere with or affect, in any material way, the consummation of the Arrangement; or (xiii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing.
- (c) The Property LPs shall use their reasonable commercial efforts to obtain the written consent of its bankers, creditors, lessors and any other third parties to the extent required to permit the consummation of the Arrangement or as otherwise contemplated hereby and shall provide a copy of each such consent to the Mohawk Parties on or prior to the Effective Date, provided that nothing in this **subsection 3.2(c)** shall require a Property LP to make any payments to obtain any of the consents referred to above in this **subsection 3.2(c)**.
- (d) The Property LPs shall use reasonable commercial efforts to preserve intact its business organization, assets, properties and goodwill and maintain satisfactory relationships with suppliers, distributors, customers and others having business relationships with it.
- (e) The Property LPs shall make all filings and applications under Applicable Laws that are required to be made by it in connection with the Arrangement and shall take all reasonable commercial action necessary to be in compliance, in all material respects, with such Applicable Laws.
- (f) Stratford LP shall amend its constating documents in accordance with Section 2.2 hereof.
- (g) Each Property LP Party shall: (i) duly and on a timely basis file all Returns required to be filed by it on or after the date hereof (including, without limitation, all applicable Returns for its most recent financial year end) and all such Returns will be true, complete and correct in all material respects; (ii) timely pay all Taxes which are due and payable unless validly contested; (iii) not make or rescind any material express or deemed election or designation relating to Taxes, or file any amended Returns; (iv) not make a request for a Tax ruling or enter into any material agreement with any Governmental Authority with respect to Taxes; (v) not settle or compromise

any claim, action, suit, litigation, proceeding (including relating to any assessment or reassessment), arbitration, investigation, audit or controversy relating to Taxes; (vi) not amend or change any of its methods of reporting income, deductions or accounting for income Tax purposes; and (vii) not make any Tax filings outside the ordinary course of business, including making, amending or rescinding any Return, election or designation.

3.3 Covenants of the Property GPLPs and Property GP Corps.

From the date hereof until the earlier of the completion of the Arrangement or the termination of this Agreement in accordance with **Article 7**, except with the prior written consent of Mohawk (such consent not to be unreasonably withheld or delayed), and except as otherwise expressly permitted or specifically contemplated by this Agreement or the Plan of Arrangement or otherwise required by Applicable Laws:

- (a) Other than as specifically provided for herein, no Property GPLP or Property GP Corp shall, directly or indirectly, do or permit any of the following to occur: (i) other than as provided for in this Agreement amend its constituting documents; (ii) set aside or pay any dividend or other distribution or make any other payment (whether in cash, shares or property) in respect of its outstanding securities; (iii) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any securities, including securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire securities; (iv) redeem, purchase or otherwise acquire any of its outstanding securities; (v) split, combine or reclassify any of its securities; (vi) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization; (vii) pursue, complete or agree to complete any corporate acquisition or disposition, amalgamation, merger, arrangement or purchase or sale of assets or make any material change to its business, capital or affairs; (viii) reduce the stated capital of any of its outstanding securities; (ix) pay, discharge or satisfy any material claims, liabilities or obligations, other than in the ordinary course of business consistent with past practice; (x) sell or dispose of any Property GP Securities; (xi) surrender, release or abandon the whole or any part of its assets; (xii) terminate any employees; (xiii) take any action, refrain from taking any action or permit any action to be taken or not taken that is inconsistent with this Agreement, which might, directly or indirectly, interfere with or affect, in any material way, the consummation of the Arrangement; or (xiiii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing.
- (b) Each Property GPLP shall approve the Arrangement in its capacity as a holder of Property GP Securities and as the general partner of the Property LPs and each Property GP Corp. shall approve the Arrangement as the general partner of the Property GPLPs and a holder of Property GP Securities.
- (c) Each Property GPLP and Property GP Corp. shall: (i) duly and on a timely basis file all Returns required to be filed by it on or after the date hereof (including, without limitation, all applicable Returns for its most recent financial year end) and all such Returns will be true, complete and correct in all material respects; (ii) timely pay all Taxes which are due and payable unless validly contested; (iii) not make or rescind any material express or deemed election or designation relating to Taxes, or file any amended Returns; (iv) not make a request for a Tax ruling or enter into any material agreement with any Governmental Authority with respect to Taxes; (v) not settle or compromise any claim, assessment, reassessment, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to Taxes; (vi) not amend or change any of its methods of reporting income, deductions or accounting for income Tax purposes; and (vii) not

make any Tax filings outside the ordinary course of business, including making, amending or rescinding any Return, election or designation.

3.4 Mutual Covenants Regarding the Arrangement

From the date hereof until the earlier of the completion of the Arrangement and the termination of this Agreement in accordance with **Article 7**, each Party shall:

- (a) Use its reasonable commercial efforts to complete the Arrangement on or before July 31, 2015.
- (b) Use its reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder including those conditions set out in **Article 5** and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws to complete the Arrangement, including using reasonable commercial efforts to:
 - (i) obtain all waivers, consents and approvals from other parties to loan agreements, leases and other contracts to which it is a party that may be necessary or desirable to permit the completion of the Arrangement on the terms contemplated hereby; and
 - (ii) obtain all necessary consents, assignments, waivers and amendments to, or terminations of, any instruments or other documents to which it is a party, or by which it is bound, that may be necessary to permit it to carry out the transactions contemplated by this Agreement and to take such other steps and actions as may be necessary or appropriate to fulfill its obligations hereunder.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of the Mohawk Parties

The Mohawk Parties hereby makes the representations and warranties set out in this **Section 4.1** to, and in favour of, the Property LP Parties and the Property GP Securityholders and acknowledges that the Property LP Parties and the Property GP Securityholders are relying upon such representations and warranties in connection with the matters contemplated by this Agreement.

- (a) Master GP is a corporation existing under the laws of the Province of Alberta and is properly registered or licensed to carry on business under the laws of all jurisdictions in which its business is carried on, except where the failure to be so registered or licensed would not have a material adverse effect.
- (b) Master Property GP is a corporation existing under the laws of the Province of Alberta and has all necessary power and capacity to carry on its business as currently conducted and proposed to be conducted.
- (c) Master LP is a limited partnership duly formed and validly subsisting under the laws of Alberta and has all necessary power and capacity to carry on its business as currently conducted and proposed to be conducted.

- (d) Mohawk Trust is an open-end unincorporated investment trust duly established, settled, organized and validly existing and has all necessary power and capacity to carry on its business as it is currently conducted and proposed to be conducted.
- (e) Each of Master GP, Master LP, Master Property GP and Mohawk Trust has the requisite corporate power and capacity to enter into and deliver this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement and the consummation by each of Master LP, Master GP, Master Property GP and Mohawk Trust of the transactions contemplated by this Agreement have been duly authorized by the board of directors of each of Master GP and Master Property GP and, subject to Written Resolution Order by the Court, no other proceeding on the part of any of Master GP, Master LP, Master Property GP or Mohawk Trust shall be necessary to consummate the transactions contemplated by this Agreement. This Agreement has been duly executed and delivered by each of Master GP, Master LP, Master Property GP and Mohawk Trust and constitutes a legal, valid and binding obligation of each of Master LP, Master GP, Master Property GP and Mohawk Trust enforceable against each of them in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and to general principles of equity.
- (f) Other than in connection with or in compliance with Applicable Laws:
 - (i) there is no legal impediment to the Mohawk Parties consummation of the transactions contemplated by this Agreement; and
 - (ii) no filing or registration with, or authorization, consent or approval of, any Governmental Authority is required to be made or obtained by any of Master LP, Master GP, Master Property GP and Mohawk Trust in connection with the consummation of the Arrangement, except for such filings or registrations that, if not made, and such authorizations, consents or approvals, that, if not received, would not materially impede the ability of any of Master LP, Master GP, Master Property GP and Mohawk Trust to consummate the transactions contemplated by this Agreement.
- (g) Mohawk Trust has authorized capital consisting of an unlimited number of Trust Units and an unlimited number of special voting units, of which 2 Trust Units and no special voting units are issued and outstanding as of the date hereof.
- (h) All of the issued and outstanding Trust Units have been duly and validly authorized and issued and are fully paid and non-assessable securities of Mohawk Trust, and none of the outstanding Trust Units were issued in violation of or subject to the pre-emptive or similar rights of any securityholder of Mohawk or of any other person.
- (i) Mohawk Trust has a sufficient number of authorized Trust Units to fulfill its obligations under the Plan of Arrangement, and all Trust Units issued pursuant to the Arrangement will be validly issued as fully paid and non-assessable Trust Units of Mohawk Trust.
- (j) The form of the certificates for the Trust Units has been approved by the board of directors of Master GP in its capacity as Administrator and adopted by Mohawk Trust and complies with all legal and stock exchange requirements and does not conflict with the Trust Indenture.

- (k) Master LP has authorized capital consisting of an unlimited number of Master LP Units and an unlimited number of class A Units, series 1, class B units, series 1 and GP units of which one Master LP Unit and one GP unit are issued and outstanding as of the date hereof.
- (l) The issued and outstanding Master LP Unit and GP unit have been duly and validly authorized and issued and are fully paid and non-assessable securities of Master LP, and none of the outstanding Master LP Units were issued in violation of or subject to the pre-emptive or similar rights of any securityholder of a Mohawk Party or of any other person.
- (m) Master LP has a sufficient number of authorized Master LP Units to fulfill its obligations under the Plan of Arrangement, and all Master LP Units issued pursuant to the Arrangement will be validly issued as fully paid and non-assessable limited partnership units of Master LP.
- (n) The form of the certificates for the Master LP Units has been approved by the board of directors of Master GP in its capacity as general partner and adopted by Master LP and complies with all legal and stock exchange requirements and does not conflict with the constating documents of Master LP.
- (o) TMX Equity Transfer Services Inc., at its principal offices in the cities of Calgary, Alberta and Toronto, Ontario, has been duly appointed as registrar and transfer agent for the Trust Units and Master LP Units.

4.2 Representations and Warranties of the Property LP Parties

The Property LP Parties hereby jointly and severally make the representations and warranties set out in this **Section 4.2** to and in favour of each of the Mohawk Parties and acknowledge that each Mohawk party is relying upon such representations and warranties in connection with the matters contemplated by this Agreement.

- (a) Each of the Property LPs is a limited partnership duly formed and validly subsisting under the laws of Ontario and has all necessary power and capacity to carry on its business as it is currently conducted and proposed to be conducted.
- (b) Each of the Property GPLPs is a limited partnership duly formed and validly subsisting under the laws of Ontario and has all necessary power and capacity to carry on its business as it is currently conducted and proposed to be conducted.
- (c) Each of the Property GP Corps is a corporation duly incorporated and validly subsisting under the laws of Ontario and has the requisite power and capacity to carry on its business as it is not being conducted.
- (d) Each of the Property LP Parties is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities make such registration necessary, except where the failure to be so registered or in good standing would not reasonably be expected to have a material adverse effect on the Property LP Parties (on a consolidated basis).
- (e) Each of the Property LP Parties has the requisite power and capacity to enter into this Agreement and to carry out their respective obligations hereunder. The execution and delivery of this Agreement and the performance by the Property LP Parties of their respective obligations under this Agreement have been duly authorized by board of directors of the Property GP Corps and,

subject to obtaining the approval of the Property LP Unitholders, approval of bank lenders of the Property LP Parties and the grant of the Written Resolution Order by the Court, no other proceedings on the part of the Property LP Parties are or will be necessary to permit completion of the Arrangement. This Agreement has been duly executed and delivered by each of the Property LP Parties and constitutes a legal, valid and binding obligation of each of the Property LP Parties enforceable against each of the Property LP Parties in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and to general principles of equity.

- (f) None of the Property LP Parties are in breach or violation of, and the execution and delivery by each of the Property LP Parties of this Agreement and the performance by each of the Property LP Parties of its respective obligations hereunder do not and will not result in any breach or violation of, or be in conflict with, or constitute, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under:
- (i) any term or provision of the articles or by-laws of any Property GP Corp.;
 - (ii) any term or provisions of any Property LP Partnership Agreement;
 - (iii) any resolution of: (A) the directors of any Property GP Corp.; or (B) the Property LP Unitholders; or
 - (iv) any material contract (subject to receipt of bank lenders' consent), mortgage, note, indenture, deed of trust, joint venture or partnership arrangement, agreement (written or oral), instrument, lease, judgment, decree, order, statute, rule, licence or regulation applicable to the Property LP Parties,
- except as would not have a material adverse effect or would not impair the ability of any of the Property LP Parties to consummate the transactions contemplated by this Agreement or to duly observe and perform any of its respective covenants or obligations contained in this Agreement, and will not give rise to any lien on or with respect to the properties or assets now owned or hereafter acquired by the Property LP Parties or the acceleration of or the maturity of any debt under any indenture, mortgage, note, deed of trust, lease, agreement or instrument binding or affecting the Property LP Parties or their respective properties or assets.
- (g) Other than in connection with or in compliance with Applicable Laws, including the approval of the Property LP Unitholders:
- (i) there is no legal impediment to any Property LP Party's consummation of the transactions contemplated by this Agreement; and
 - (ii) no filing or registration with, or authorization, consent or approval of, any Governmental Authority is required to be made or obtained by the Property LP Parties in connection with the consummation of the Arrangement, except for such filings or registrations that, if not made, and such authorizations, consents or approvals, that, if not received, would not materially impede consummation of the Arrangement.
- (h) The authorized capital of the Property LPs is as follows: (i) Stratford LP is authorized to issue an unlimited number of Stratford LP Units and one general partner partnership unit; (ii) Medicine Hat LP is authorized to issue an unlimited number of Medicine Hat LP Units and one general partner partnership unit (iii) Belleville LP is authorized to issue and unlimited number of

Belleville LP Units and one general partner partnership unit; (iv) Vaughan LP is authorized to issue an unlimited number of Vaughan LP Units and one general partner partnership unit; (v) Ottawa LP is authorized to issue an unlimited number of Ottawa LP Units and one general partner partnership unit.

- (i) As of the date hereof: (i) 24,530 Stratford LP Units and one GP partnership unit are issued and outstanding in the capital of Stratford LP; 19,900 Medicine Hat LP Units and one GP partnership unit are issued and outstanding in the capital of Medicine Hat LP; 10,200 Belleville LP Units and one GP partnership unit are issued and outstanding in the capital of Belleville LP; 76,600 Vaughan LP Units and one GP partnership unit are issued and outstanding in the capital of Vaughan LP; 89,903 Ottawa LP Units and one GP partnership unit are issued and outstanding in the capital of Ottawa LP.
- (j) The authorized capital of the Property GPLPs is an unlimited number of limited partnership units and an unlimited number of general partnership units for each of the Property GPLPs. All of the limited partnership units of the Property GPLPs are held equally by Arctero Inc. and Geneva-Pacific Capital Management Ltd. The issued and outstanding general partnership units are held by the respective Property GP Corps.
- (k) The authorized capital of the Property GP Corps is an unlimited number of common shares for each of the Property GP Corps. With the exception of Medicine Hat GP Corp., all of the issued and outstanding common shares of each of the other Property GP Corps are held equally by Arctero Inc. and Geneva-Pacific Capital Management Ltd. The issued and outstanding common shares of Mohawk Medicine Hat GP (I) Corp is held 51% by Arctero Inc. and 49% by Geneva-Pacific Capital Management Ltd.
- (l) The board of directors of each Property GP Corp. has unanimously approved the execution and delivery of this Agreement by Property GP Corp. and on behalf of each Property GPLP as in its capacity as general partner of such Property GPLP and authorized each Property GPLP to approve the execution and delivery of this agreement by each Property LP in their capacity as general partner of such Property LPs, has unanimously determined that the Arrangement is fair, from a financial point of view to the Property LP Unitholders, and is in the best interests of the Property LPs, and has resolved, unanimously, to recommend approval of the Arrangement by the Property LP Unitholders.
- (m) To the best of its knowledge, the Property LP Parties have duly and on a timely basis filed all Returns required to be filed by them, have paid all taxes due and payable by them and have paid all assessments and re-assessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by them and which are claimed by any Governmental Authority to be due and owing and adequate provision has been made for taxes payable for any completed fiscal period for which tax returns are not yet required and there are no agreements, waivers, or other arrangements providing for an extension of time with respect to the filing of any Returns or payment of any tax, governmental charge or deficiency by the Property LP Parties and there are no actions, suits, proceedings, investigations or claims threatened or pending against the Property LP Parties in respect of taxes, governmental charges or assessments or any matters under discussion with any governmental authority relating to taxes, governmental charges or assessments asserted by any such authority.

4.3 Representations and Warranties of the Property GP Securityholders

The Property GP Securityholder hereby severally make the representations and warranties set out in this **Section 4.3** to and in favour of each of the Mohawk Parties and acknowledge that each Mohawk Party is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

- (a) Each Property GP Securityholder is duly incorporated, organized and subsisting under the laws of its jurisdiction of formation.
- (b) Each Property GP Securityholder is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities make such registration necessary, except where the failure to be so registered or in good standing would not reasonably be expected to have a material adverse effect on such Property GP Securityholder.
- (c) Each Property GP Securityholder has the requisite power and capacity to enter into this Agreement and to carry out their respective obligations hereunder. The execution and delivery of this Agreement and the performance by the Property GP Securityholders of their respective obligations under this Agreement have been duly authorized by board of directors of Property GP Securityholders and, no other proceedings on the part of the Property GP Securityholders are or will be necessary to permit completion of the Arrangement. This Agreement has been duly executed and delivered by each of the Property GP Securityholders and constitutes a legal, valid and binding obligation of each of the Property GP Securityholders enforceable against each of the Property GP Securityholders in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and to general principles of equity.
- (d) Other than in connection with or in compliance with Applicable Laws:
 - (i) there is no legal impediment to either Property GP Securityholder's consummation of the transactions contemplated by this Agreement; and
 - (ii) no filing or registration with, or authorization, consent or approval of, any Governmental Authority is required to be made or obtained by either Property GP Securityholder in connection with the consummation of the Arrangement, except for such filings or registrations that, if not made, and such authorizations, consents or approvals, that, if not received, would not materially impede the ability of any of such Property GP Securityholder to consummate the transactions contemplated by this Agreement.
- (e) The Property GP Securityholders are the sole legal and beneficial owners of, and have all necessary power and authority to sell, assign, transfer and convey their respective ownership of all of the outstanding common shares of the Property GP Corps and the limited partnership units of the Property GPLPs being sold, assigned, transferred and conveyed by it to Master LP pursuant to the Arrangement free and clear of all encumbrances.
- (f) Other than as provided in this Agreement, no Person has any rights, contingent or vested, including any right of first refusal, right of first offer or other similar preferential right, to acquire any of the common shares of the Property GP Corps or the limited partnership units of the Property GPLPs being sold, assigned, transferred and conveyed by it pursuant to this Agreement.

- (g) No Property GP Securityholder has received notice of any claim, demand, lawsuit, proceeding, hearing, arbitration or governmental investigation (collectively a "**Claim**"), nor is aware of any Claim or potential Claim, actual or threatened, by or against it which prevents, impairs or otherwise negatively affects the ability of such Property GP Securityholder to perform its respective obligations under this Agreement applicable to it and to complete the transactions contemplated by this Agreement.
- (h) No Property GP Securityholder is a non-resident of Canada for the purposes of section 116 of the Tax Act.

ARTICLE 5

CONDITIONS PRECEDENT

5.1 Mutual Conditions Precedent

The respective obligations of the Parties to consummate the transactions contemplated by this Agreement, and in particular the completion of the Arrangement, are subject to the satisfaction, on or before the Effective Time, or such other time specified, of the following conditions, each of which may only be waived by the mutual written consent of both Parties without prejudice to each Party's right to rely on any other of such conditions:

- (a) Each Written Resolution, in form and substance reasonably satisfactory to each of the Parties, shall have been approved by the respective Property LP Unitholders.
- (b) On or prior to July 31, 2015, the Written Resolution Order shall have been granted in form and substance satisfactory to each of the Parties, acting reasonably, and such order shall not have been set aside or modified in a manner unacceptable to the Parties, acting reasonably, on appeal or otherwise.
- (c) The Effective Date shall have occurred on or before July 31, 2015.
- (d) The Articles of Arrangement to be filed with the Registrar in accordance with the Arrangement shall be in form and substance satisfactory to each of applicable parties, acting reasonably.
- (e) No action shall have been taken under any existing Applicable Law, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued after the date hereof by any Governmental Authority, that:
 - (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Arrangement or any other transactions contemplated by this Agreement; or
 - (ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated by this Agreement.

The foregoing conditions are for the mutual benefit of the Parties and may be asserted by any Party regardless of the circumstances and may be waived by any Party (with respect to such Party) in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights that such Party may have.

5.2 Additional Conditions to Obligations of the Mohawk Parties

The obligation of the Mohawk Parties to consummate the transactions contemplated by this Agreement, and in particular to complete the Arrangement, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) All covenants of the Property LP Parties under this Agreement to be performed on or before the Effective Time shall have been duly performed by the applicable Property LP Party in all material respects.
- (b) The representations and warranties of the Property LP Parties set forth in this Agreement shall be true and correct, without regard to any materiality, material adverse change or material adverse effect qualifications contained in them, as of the date hereof and as of the Effective Time (as though made on and as of the Effective Time), except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date, and except where the failure or failures of such representations and warranties to be so true and correct would not reasonably be expected to have a material adverse effect on the Property LP Parties or to materially impede the completion of the Arrangement.
- (c) The Property LP Parties shall have furnished the Mohawk Parties with:
 - (i) certified copies of the resolutions duly passed by the board of directors of each Property Corp. approving the execution a delivery of this Agreement and the performance by each Property GPLP, and Property LP of their respective obligations under this Agreement and the consummation of the transactions contemplated by this Agreement; and
 - (ii) certified copies of the Written Resolutions.
- (d) No material adverse change in respect of the Property LP Parties shall have occurred on or after the date hereof and prior to the Effective Time.
- (e) No action, suit, proceeding, objection or opposition shall have been commenced or threatened against a Property LP Party before or by any domestic or foreign court, tribunal or Governmental Authority whether or not having the force of law, and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of the Mohawk Parties, acting reasonably, in either case, has had or, if the Arrangement was consummated, would or would reasonably be expected to result in a material adverse change or have a material adverse effect in respect of a Property LP Party or would materially impede the ability of the Parties to complete the Arrangement.
- (f) On the Effective Date, each of the directors and officers of each Property GP Corp. shall have provided their resignations and such directors and officers shall have delivered releases in favour the applicable Property LP and Mohawk, in form and substance satisfactory to Mohawk and such persons, acting reasonably.
- (g) Holders of not more than 5% of the aggregate issued and outstanding Property LP Units shall have exercised rights of dissent.

The conditions in this **Section 5.2** are for the exclusive benefit of the Mohawk Parties and may be asserted by the Mohawk Parties regardless of the circumstances or may be waived by the Mohawk Parties

in their sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Mohawk Parties may have.

5.3 Additional Conditions to Obligations of the Property LP Parties

The obligation of the Property LP Parties to consummate the transactions contemplated by this Agreement, and in particular to complete the Arrangement, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) All covenants of the Mohawk Parties under this Agreement to be performed on or before the Effective Time shall have been duly performed by the Mohawk Parties in all material respects.
- (b) The representations and warranties of the Mohawk Parties set forth in this Agreement shall be true and correct, without regard to any materiality, material adverse change or material adverse effect qualifications contained in them, as of the date hereof and as of the Effective Time (as though made on and as of the Effective Time), except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date, and except where the failure or failures of such representations and warranties to be so true and correct would not reasonably be expected to have a material adverse effect on the Mohawk Parties or to materially impede the completion of the Arrangement.
- (c) The Mohawk Parties shall have furnished the Property LP Parties with certified copies of the resolutions duly passed by the board of directors of Master GP and the Master Property GP approving the execution and delivery of this Agreement by the relevant party, the performance by the Mohawk Parties of their respective obligations under this Agreement and the consummation of the transactions contemplated by this Agreement.
- (d) No material adverse change respecting the Mohawk Parties shall have occurred on or after the date hereof and prior to the Effective Time.
- (e) On the Effective Date, each of the directors and officers of the Property GP Corps who provided resignations and releases in accordance with **subsection 5.2(f)** shall have received releases from Master Property GP (as successor to each Property GP Corp.) in favour of such directors and officers, in form and substance satisfactory to Mohawk and such persons, acting reasonably.
- (f) No action, suit, proceeding, objection or position shall have been commenced or threatened against Mohawk before or by domestic or foreign court, tribunal or Governmental Authority, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of the Property LPs, acting reasonably, in either case, has had or, if the Arrangement was consummated, would result in a material adverse change or have a material adverse effect in respect of Mohawk or would materially impede the ability of the Parties to complete the Arrangement.

The conditions in this **Section 5.3** are for the exclusive benefit of the Property LP Parties and may be asserted by any Property LP regardless of the circumstances or may be waived by a Property LP in their sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which any Property LP Party may have.

5.4 Notice and Effect of Failure to Comply with Covenants or Conditions

- (a) Each Party shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof to the Effective Date, of any event or state of facts that would, or would be likely to, (i) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect, or (ii) result in the failure to comply with or satisfy any covenant or condition to be complied with or satisfied by any Party hereunder; provided, however, that no such notification shall affect the representations or warranties of the Parties or the conditions to the obligations of the Parties hereunder.
- (b) If any of the conditions precedent set out in any of **Sections 5.1, 5.2 or 5.3** is not satisfied or waived by the Party for whose benefit such condition is provided on or before the date required for the satisfaction thereof, then the Party for whose benefit the condition precedent is provided may, in addition to any other remedies it may have at law or equity, terminate this Agreement as provided for in **subsection 7.1(c)**, provided that, prior to the filing of the Articles of Arrangement, the Party intending to rely thereon has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties or other matters that the Party delivering such notice is asserting as the basis for the non-fulfillment of the applicable condition or conditions precedent and shall provide in such notice that the other Party shall be entitled to cure any breach of a covenant or representation and warranty or other matters within five Business Days after receipt of such notice (except that no cure period shall be provided for a breach that, by its nature, cannot be cured and, in no event, shall any cure period extend beyond July 31, 2015). More than one such notice may be delivered by a Party.

5.5 Satisfaction of Conditions

The conditions set out in this **Article 5** are conclusively deemed to have been satisfied, waived or released when, with the agreement of the Parties, Articles of Arrangement are filed under the ABCA to give effect to the Arrangement.

ARTICLE 6 AMENDMENT

6.1 Amendment

This Agreement may, at any time and from time to time before or after the Written Resolutions, be amended by written agreement of the Parties without, subject to Applicable Laws, further notice to, or authorization from, their respective securityholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts by any Party hereunder;
- (b) waive any inaccuracies in, or modify, any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with, or modify, any of the covenants contained herein and waive or modify performance of any of the obligations of any party hereunder; or
- (d) waive satisfaction of, or modify, any of the conditions precedent set out herein;

provided that no such amendment reduces or adversely affects the consideration to be received by the Property LP Unitholders without approval by the Property LP Unitholders given in the same manner as required for the approval of the Arrangement.

ARTICLE 7 TERMINATION

7.1 Termination

This Agreement may be terminated at any time prior to the Effective Date:

- (a) by mutual written consent of the Parties hereto;
- (b) by either a Mohawk Party or a Property LP if: (i) the Property LP, fail to obtain a Written Resolution; or (ii) approval of the Written Resolution Order from the Court is not obtained on or prior to July 31, 2015;
- (c) either a Mohawk Party or a Property LP as provided in **subsection 5.4(b)**, provided that the failure to satisfy the particular condition precedent being relied upon as a basis for termination of this Agreement did not occur as a result of a breach by the Party seeking to rely on the condition precedent of any of its covenants or obligations under the Agreement;
- (d) by a Mohawk Party, if a material adverse change in respect of a Property LP shall have occurred after the date of this Agreement; or
- (e) by a Property LP, if a material adverse change in respect of a Mohawk Party shall have occurred after the date of this Agreement.

In the event of the termination of this Agreement in the circumstances set out in this **Section 7.1**, this Agreement shall forthwith become void and be of no further force or effect and no Party shall have any liability or further obligation to the other hereunder except with respect to the obligations set out in **Article 8** or **Article 9**, all of which shall survive such termination.

Unless otherwise provided herein, the exercise by either Party of any right of termination hereunder shall be without prejudice to any other remedy available to such Party at law or in equity.

ARTICLE 8 NOTICES

8.1 Notices

Any notice that is required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be delivered personally (including by courier) or sent by facsimile to the Party to whom it is addressed, as follows:

- (a) if to Mohawk, addressed to it at:

Mohawk Medical Growth Partners
161 Bay Street, 27th Floor
Toronto, Ontario M5J 2S1

Attention: Andrew Shapack
Email: ashapack@mohawkmedical.ca

with a copy to:

Burnet, Duckworth & Palmer LLP
Suite 2400, 525 – 8th Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: Nicole Bacsalmasi
Email: nbacsalmasi@bdplaw.com

if to the Property LP Parties, or any of them, addressed to it at:

Mohawk Medical Growth Partners
161 Bay Street, 27th Floor
Toronto, Ontario M5J 2S1

Attention: Andrew Shapack
Email: ashapack@mohawkmedical.ca

with a copy to:

Burnet, Duckworth & Palmer LLP
Suite 2400, 525 – 8th Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: Nicole Bacsalmasi
Email: nbacsalmasi@bdplaw.com

or to such other address as a Party may, from time to time, advise to the other Parties by notice in writing. The date or time of receipt of any such notice shall be deemed to be the date of delivery or the time such facsimile is received.

ARTICLE 9 GENERAL

9.1 Assignment and Enurement

This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and assigns; provided that this Agreement may not be assigned by any Party without the prior written consent of the other Parties.

9.2 Costs

Except as expressly set out herein, each Party covenants and agrees to bear its own costs and expenses in connection with the transactions contemplated by this Agreement.

9.3 Severability

If any one or more of the provisions (or any part thereof) of this Agreement is determined to be invalid, illegal or unenforceable in any respect in any jurisdiction, such provision or provisions (or

part or parts thereof) shall be, and shall be conclusively deemed to be, as to such jurisdiction, severable from the balance of this Agreement and:

- (a) the validity, legality or enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired by the severance of the provisions (or parts thereof) so severed; and
- (b) the invalidity, illegality or unenforceability of any provision (or part thereof) of this Agreement in any jurisdiction shall not affect or impair such provision (or part thereof) or any other provisions of this Agreement in any other jurisdiction.

9.4 Further Assurances

Each Party hereto shall, from time to time and at all times hereafter, at the request of any other Party, but without further consideration, do all such further acts, and execute and deliver all such further documents and instruments as the other Party may reasonably request in order to fully perform and carry out the terms and intent of this Agreement.

9.5 Time of Essence

Time shall be of the essence of this Agreement.

9.6 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and the Parties hereto irrevocably attorn to the jurisdiction of the courts of the Province of Alberta in respect of all disputes arising under or in relation to this Agreement.

9.7 Waiver

No waiver by a Party shall be effective unless it is set out in a written instrument signed by such Party and any waiver shall affect only the matter, and the occurrence thereof, specifically identified in the applicable written instrument and shall not extend to any other matter or occurrence.

9.8 Third Party Beneficiaries

The provisions of **Section 2.4** are: (i) intended for the benefit of all present and former directors and officers and employees of the Property GP Corps, as and to the extent applicable in accordance with their terms, and shall be enforceable by each of such persons and his or her heirs, executors, administrators and other legal representatives (collectively, the "**Third Party Beneficiaries**") and the Mohawk Parties shall hold the rights and benefits of **Section 2.4** in trust for and on behalf of the Third Party Beneficiaries and Mohawk hereby accepts such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of the Third Party Beneficiaries, and (ii) in addition to, and not in substitution for, any other rights that the Third Party Beneficiaries may have by contract or otherwise.

9.9 Counterparts

This Agreement may be executed in counterparts and by facsimile or portable document format (PDF), each of which shall be deemed an original, and all of which together constitute one and the same instrument.

[The remainder of this page has intentionally been left blank]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

The Mohawk Parties:

MOHAWK MEDICAL GENERAL PARTNER (I) CORP.

MOHAWK MEDICAL OPERATING PARTNERSHIP (I) LP by its General Partner, **MOHAWK MEDICAL GENERAL PARTNER (I) CORP.**

Per: (signed) "Andrew Shapack"
Andrew Shapack

Per: (signed) "Andrew Shapack"
Andrew Shapack

Per: (signed) "Sean Nakamoto"
Sean Nakamoto

Per: (signed) "Sean Nakamoto"
Sean Nakamoto

MOHAWK MEDICAL PROPERTY GP (I) CORP.

MOHAWK MEDICAL PROPERTIES REAL ESTATE INVESTMENT TRUST

Per: (signed) "Andrew Shapack"
Andrew Shapack

Per: (signed) "Andrew Shapack"
Andrew Shapack

Per: (signed) "Sean Nakamoto"
Sean Nakamoto

Per: (signed) "Sean Nakamoto"
Sean Nakamoto

The Property LP Parties:

MOHAWK STRATFORD GP (I) CORP. on its own behalf and on behalf of and as general partner of **MOHAWK STRATFORD GENERAL PARTNER (I) LP** on behalf of and as general partner of **MOHAWK STRATFORD OPPORTUNITY PARTNERS (I) LP**

Per: (signed) "Andrew Shapack"
Andrew Shapack

Per: (signed) "Sean Nakamoto"
Sean Nakamoto

MOHAWK MEDICINE HAT GP (I) CORP. on its own behalf and on behalf of and as general partner of **MOHAWK MEDICINE HAT GENERAL PARTNER (I) LP** on behalf of and as general partner of **MOHAWK MEDICINE HAT OPPORTUNITY PARTNERS (I) LP**

Per: (signed) "Andrew Shapack"
Andrew Shapack

Per: (signed) "Sean Nakamoto"
Sean Nakamoto

MOHAWK BELLEVILLE GP (I) CORP. on its own behalf and on behalf of and as general partner of **MOHAWK BELLEVILLE GENERAL PARTNER (I) LP** on behalf of and as general partner of **MOHAWK BELLEVILLE OPPORTUNITY PARTNERS (I) LP**

Per: (signed) "Andrew Shapack"
Andrew Shapack

Per: (signed) "Sean Nakamoto"
Sean Nakamoto

MOHAWK VAUGHAN GP (I) CORP. on its own behalf and on behalf of and as general partner of **MOHAWK VAUGHAN GENERAL PARTNER (I) LP** on behalf of and as general partner of **MOHAWK VAUGHAN OPPORTUNITY PARTNERS (I) LP**

Per: (signed) "Andrew Shapack"
Andrew Shapack

Per: (signed) "Sean Nakamoto"
Sean Nakamoto

MOHAWK OTTAWA GP (I) CORP. on its own behalf and on behalf of and as general partner of **MOHAWK OTTAWA GENERAL PARTNER (I) LP** on behalf of and as general partner of **MOHAWK OTTAWA OPPORTUNITY PARTNERS (I) LP**

Per: (signed) "Andrew Shapack"
Andrew Shapack

Per: (signed) "Sean Nakamoto"
Sean Nakamoto

The Property GP Securityholders:

ARCTERO INC

Per: (signed) "Sean Nakamoto"
Sean Nakamoto

GENEVA-PACIFIC CAPITAL MANAGEMENT LTD.,

Per: (signed) "Andrew Shapack"
Andrew Shapack

(signed)
Witness

(signed) "Sean Nakamoto"
Sean Nakamoto

(signed)
Witness

(signed) "Andrew Shapack"
Andrew Shapack

SCHEDULE "A"
PLAN OF ARRANGEMENT