

Nov 22, 2012

Tanq Capital Corporation Mails Information Circular Regarding REIT Conversion

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TORONTO, Nov. 22, 2012 /CNW/ - (TSXV: TQ.P) Tanq Capital Corporation (the "**Corporation**"), a capital pool company (as defined in Policy 2.4 (the "**CPC Policy**") of the TSX Venture Exchange (the "**TSXV**") Corporate Finance Manual), announced today that it has filed a management information circular (the "**Information Circular**") and notice of special meeting in respect of its previously announced reorganization under a plan of arrangement under the *Business Corporations Act* (Ontario) (the "**Arrangement**") whereby it intends to convert into a real estate investment trust named "True North Commercial Real Estate Investment Trust" (the "**REIT**"), subject to receipt of all necessary approvals, including the approval of the TSXV and the shareholders of the Corporation (the "**Shareholders**").

The Information Circular also describes the previously announced acquisition (the "**Acquisition**") pursuant to which the Corporation will acquire from an arm's length vendor (the "**Vendor**") a 48,994 square foot retail shopping centre in Duncan, British Columbia (the "**Property**"). The Corporation will purchase the Property from the Vendor for a purchase price equal to approximately \$14.6 million, subject to customary adjustments. The purchase price for the Property will be financed by new mortgage financing of approximately \$10,250,000, with the balance paid in cash. The Acquisition and the Arrangement are proposed to constitute the Corporation's Qualifying Transaction, as defined in the CPC Policy (the "**Proposed Transaction**"). Completion of the Acquisition is conditional upon the completion of the Arrangement.

Pursuant to the Arrangement, among other things: (i) the issued and outstanding common shares ("**Shares**") of the Corporation will be exchanged for units ("**Units**") of the REIT on an 8 for 1 basis (1 Unit for every 8 Shares) (the "**Exchange Ratio**"); and (ii) the issued and outstanding options ("**Options**") to purchase Shares will be exchanged for options to purchase Units ("**True North Options**") on terms and conditions identical to the terms and conditions of the Options, subject to adjustments to the exercise price of, and the number of Units underlying, the True North Options based upon the Exchange Ratio.

Upon completion of the Proposed Transaction, the REIT is expected to meet all of the minimum listing requirements for a Tier 2 Real Estate Issuer.

Information about the Meeting

The special meeting (the "**Meeting**") of the Shareholders will be held at 9:00 a.m. (Toronto time) on December 13, 2012, at Suite 2100, 40 King Street West, Toronto, Ontario, M5H 3C2.

Each person who is a holder of record of Shares at the close of business on November 5, 2012, is entitled to receive notice of, and to attend and vote at, the Meeting, and any adjournment or postponement thereof. The Corporation has received a confirmation of mailing from the Corporation's transfer agent, Equity Transfer & Trust Company ("**Equity**").

As Daniel Drimmer currently indirectly owns an approximately 24.1% interest in the Corporation, and owns and controls Starlight Investments Ltd., certain aspects of the Arrangement constitute "related party transactions" under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* and therefore must be approved by the affirmative vote of a majority of minority shareholders of the Corporation. Shareholders are urged to read the Information Circular for a full description of all matters to be considered at the Meeting.

Investors are cautioned that, except as disclosed in the Information Circular, any information released or received with respect to the Arrangement may not be accurate or complete and should not be relied upon. The Information Circular is available for review at www.sedar.com.

Shareholders will also be asked to elect four additional directors at the Meeting. These directors, along with Messrs. Daniel Drimmer and Alon Ossip, will be the trustees of the REIT upon completion of the Arrangement. The four new proposed directors are:

Jeff Baryshnik - Trustee (Age 33)

Jeff Baryshnik is the President and Chief Investment Officer of Baryshnik Capital Management Inc. ("**BCMI**"), which he founded in 2009. He also owns and repositions real estate in the Southeast United States. Prior to founding BCMI, he was a Vice President at Deephaven Capital Management in the Value/Special Situations group. Previously, Mr. Baryshnik worked at Magnetar Capital and Citadel Investment Group. Mr. Baryshnik received an MBA from New York University's Stern School of Business with specializations in Finance & Economics and holds an HBA from the Richard Ivey School of Business at the University of Western Ontario. Mr. Baryshnik holds the Canadian Investment Manager (CIM) designation and is a Fellow of the Canadian Securities Institute (FCSI).

William Biggar - Trustee (Age 60)

William Biggar, a resident of Toronto, Ontario, is a Corporate Director who has previously held senior executive positions in the real estate, mining and investment industries. From 2008 to 2012, Mr. Biggar was President and CEO of TSX-listed mining company North American Palladium Ltd. Prior to that, he was Managing Director of private equity investor Richardson Capital Limited from 2004 to 2007, President and CEO of Granite Real Estate Inc. (formerly MI Developments Inc., a TSX/NYSE-listed company) from 2003 to 2004, and Executive Vice-President of Magna International Inc. from 2001 to 2003. From 1999 to 2000, Mr. Biggar was Executive Vice-President and CFO of Cambridge Shopping Centres Limited. He has also held senior executive positions with Barrick Gold Corporation and Horsham Corporation, and Managing Director positions at Merrill Lynch Canada and UBS Securities. Mr. Biggar has served on the boards of a number of public and private companies and is currently a director of TSX-listed Primaris Retail Real Estate Investment Trust. Mr. Biggar is a chartered accountant and holds Bachelor of Commerce and Master of Business Administration degrees from the University of Toronto.

Roland Cardy - Trustee (Age 60)

Roland Cardy has served as Managing Partner and a director of Gorbay Company Limited since March 2003, a Toronto based private company that owns and operates multi-family properties. Mr. Cardy is also the Chairman of Primaris Retail Real Estate Investment Trust, a position he has held since 2003. He was also a director of Public Storage Canadian Properties from April 2004 to October 2010. From 2001 to March 2003, Mr. Cardy was a Senior Managing Director at Raymond James Ltd. Prior to that, Mr. Cardy held a number of positions at the Toronto-Dominion Bank, including Vice-Chair, Investment Banking from

1996 to 2000. Mr. Cardy also served on the Executive Committee and the Board of Directors of TD Securities Inc. from 1996 to 2000. Mr. Cardy has Bachelor of Arts (Economics and History) and Master of Business Administration degrees from York University. He also has completed the requirements of the Institute of Corporate Directors program.

Sandy Poklar - Trustee (Age 42)

Sandy Poklar is currently the Chief Operating Officer and Managing Director, Capital Markets & Strategic Developments for Firm Capital Corporation. Sandy is also a director of TSX-listed Genesis Land Development Corporation. Prior to joining Firm Capital, Mr. Poklar was employed at Macquarie Capital and TD Securities where he was a Vice President and an Associate in their Real Estate Investment Banking Groups, respectively. In addition, Mr. Poklar was at Canaccord Adams as a real estate equity research associate analyst. Mr. Poklar is a Chartered Accountant and a graduate of the University of Toronto.

Registered Shareholders unable to attend the Meeting in person are requested to read the Information Circular and the form of proxy which accompanies the notice of meeting and to complete, sign, date and deliver the form of proxy, together with the power of attorney or other authority, if any, under which it was signed (or a notarially certified copy thereof) to Equity at 200 University Avenue, Toronto, Ontario, M5H 4H1, Attention: Proxy Department, no later than 5:00 p.m. (Toronto time) on the second last business day immediately preceding the date of the Meeting or any adjournment or postponement thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

Registered Shareholders have the right to dissent with respect to the Arrangement and be paid the fair value of their Shares in accordance with the provisions of section 185 of the *Business Corporations Act* (Ontario) and an interim order of the Ontario Superior Court of Justice with respect to the Arrangement dated November 16, 2012, if the Arrangement becomes effective. This right to dissent is described in the Information Circular. Failure to strictly comply with the dissent procedures set out in the Information Circular may result in the loss or unavailability of any right of dissent.

Tanq Capital Corporation

The principal business of the Corporation is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Corporation has not commenced commercial operations and has no assets other than cash.

This press release contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Examples of such statements include the intention to complete the Proposed Transaction and the intention to reorganize the Corporation into a real estate investment trust. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the Corporation. Completion of the Proposed Transaction is subject to a number of conditions,

including but not limited to, TSXV acceptance and majority of the minority shareholder approval. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the Information Circular, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSXV has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release.

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

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