

Media Release

for immediate distribution

MELCOR REIT AND MELCOR DEVELOPMENTS ANNOUNCE CLOSING OF ARRANGEMENT

Edmonton, Alberta | April 23, 2025

Melcor Real Estate Investment Trust (“**Melcor REIT**” or the “**REIT**”) (TSX: MR.UN) and Melcor Developments Ltd. (“**Melcor**” or the “**Purchaser**”) (TSX: MRD) announce that, in accordance with the previously announced plan of arrangement (the “**Plan of Arrangement**”) pursuant to the *Business Corporations Act* (Alberta), (i) Melcor acquired its unowned equity interest (approximately 45%) in Melcor REIT Limited Partnership (“**REIT LP**”) for \$5.50 per Class A LP Unit in cash consideration (the “**REIT LP Sale**”); and (ii) the REIT used the proceeds from the REIT LP Sale to repurchase and cancel all of the REIT’s outstanding participating trust units (each, a “**Unit**”) for consideration (the “**Consideration**”) of \$5.50 per Unit less any applicable withholding taxes, (the “**Arrangement**”).

As previously announced, the Arrangement was approved by the REIT’s unitholders at a special meeting held on April 11, 2025, and the Court of King’s Bench of Alberta granted the final order in respect of the Arrangement on April 16, 2025.

The REIT’s Units are expected to be de-listed from the Toronto Stock Exchange after the markets close on April 24, 2025, and the REIT intends to submit an application to the applicable securities regulators to cease to be a reporting issuer and to terminate its public reporting obligations after the Units have been delisted.

Each holder of Units is entitled to receive the Consideration per Unit. To receive their respective Consideration, registered Unitholders must complete and sign the Letter of Transmittal and deliver it, together with the certificate(s) (if applicable) representing the Units and other documents required, to the depositary, Odyssey Trust Company, Trader’s Bank Building, 702 – 67 Yonge Street, Toronto, Ontario M5E 1J8, Attention: Corporate Actions. The Letter of Transmittal was enclosed with the management information circular of the REIT dated March 10, 2025 and is available under REIT’s profile on SEDAR+ at www.sedarplus.ca. If you have any questions or require further information about the procedures to complete your Letter of Transmittal, please contact Odyssey Trust Company by telephone toll-free in North America at 1-888-290-1175 or outside North America at 1-587-885-0960, by email at corp.actions@odysseytrust.com, or by visiting Odyssey Trust Company’s website at www.odysseytrust.com/ca-en/help. Unitholders who hold their Units in the name of an intermediary should contact that intermediary in regards to receiving the consideration for their Units.

A copy of the Purchaser’s early warning report will be filed on the REIT’s profile on SEDAR+ at www.sedarplus.ca.

Arrangement Distribution

The Arrangement provided for a non-cash distribution (the “**Arrangement Distribution**”) by the REIT to holders of Units (“**Unitholders**”) of record immediately prior to the effective time of the Arrangement (“**Closing**”). The Arrangement Distribution, being \$0.40 per outstanding Unit, was

equal to the REIT's estimated taxable income and capital gains for the period from January 1, 2025 to Closing (the "**Stub Year**"). The Arrangement Distribution was intended to reduce the REIT's taxable income for Stub Year to nil.

The payment of the Arrangement Distribution was made in accordance with the Plan of Arrangement by the issuance of additional trust units immediately prior to Closing. Immediately following the Arrangement Distribution, and pursuant to the Plan of Arrangement, the number of outstanding Units were consolidated so that each unitholder holds exactly the same number of Units after the consolidation as each Unitholder held immediately prior to the Arrangement Distribution.

Advisors

DLA Piper (Canada) LLP acted as legal counsel to the REIT independent committee of the board of trustees (the "**Independent Committee**") in connection with the Arrangement. Bryan & Company LLP acted as legal counsel to Melcor. BMO Capital Markets acted as exclusive financial advisor to the REIT Independent Committee and Ventum Capital Markets acted as independent financial advisor and independent valuator to the REIT Independent Committee. CIBC Capital Markets acted as exclusive financial advisor to Melcor and ATB Capital Markets acted as strategic advisor to the independent committee of the board of directors of Melcor. Laurel Hill acted as proxy advisor to the REIT.

About Melcor REIT

Melcor REIT is an unincorporated, open-ended real estate investment trust. Melcor REIT owned a portfolio of interests in 34 properties representing approximately 2.8 million square feet of gross leasable area located across Alberta and in Regina, Saskatchewan.

About Melcor Developments Ltd.

Melcor is a diversified real estate development and asset management company that transforms real estate from raw land through to high quality finished product in both residential and commercial built form. Melcor develops and manages mixed-use residential communities, business and industrial parks, office buildings, retail commercial centres and golf courses. Melcor owns a well-diversified portfolio of assets in Alberta, Saskatchewan, British Columbia, Arizona and Colorado.

Melcor has been focused on real estate since 1923. The company has built over 140 communities and commercial projects across Western Canada and today manages 4.48 million sf in commercial real estate assets and 449 residential rental units. Melcor is committed to building communities that enrich quality of life - communities where people live, work, shop and play.

Melcor's headquarters are located in Edmonton, Alberta, with regional offices throughout Alberta and in British Columbia and Arizona. Melcor has been a public company since 1968 and trades on the Toronto Stock Exchange (TSX:MRD).

For more information, please visit www.melcor.ca.

Forward Looking Statement Cautions and Disclaimers:

This news release includes forward-looking information within the meaning of applicable Canadian securities laws. In some cases, forward-looking information can be identified by the use of words such as "may", "will", "should", "expect", "intend", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", and by discussions of strategies that involve risks and uncertainties, certain of which are beyond the REIT's and Melcor's control. In this news release, forward-looking

information includes, among other things, timing of the delisting of the REIT's Units from the TSX and the REIT's application to cease to be a reporting issuer.

The material factors or assumptions used to develop the forward-looking information include assumptions about regulatory approvals and the timing of same. These assumptions are based on information currently available to the company and are subject to change. Additional information on these and other factors that could affect the REIT and Melcor are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR+ website (www.sedarplus.ca).

By its nature, such forward-looking information necessarily involves known and unknown risks and uncertainties that may cause actual results, performance, prospects and opportunities in future periods of the REIT and Melcor to differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, among other things, the risk factors discussed or referred to in the REIT's most recently filed annual information form available on SEDAR+ at www.sedarplus.ca. Furthermore, the forward-looking statements contained in this news release are made as of the date of this news release and neither the REIT, nor Melcor nor any other person assumes responsibility for the accuracy and completeness of any forward-looking information, and no one has any obligation to update or revise any forward-looking information, whether as a result of new information, future events or such other factors which affect this information, except as required by law.

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