

MEDIA RELEASE

for immediate distribution

Melcor Developments Ltd. Acknowledges the Expiration of the Melcor REIT “Go-Shop” Period

Edmonton, Alberta | October 18, 2024

Melcor Developments Ltd. ("Melcor") (TSX: MRD) acknowledges the expiration of the 30-day “go-shop” period which was provided for in the previously announced arrangement agreement dated September 12, 2024 (“Arrangement Agreement”) between Melcor and Melcor Real Estate Investment Trust (“Melcor REIT” or the “REIT”) (TSX: MR.UN) (the “Transaction”).

Melcor has been considerate of the process undertaken by the REIT’s Independent Committee to solicit a superior offer and has refrained from speaking with unitholders during this “go-shop” period. As indicated in Melcor REIT’s press release of October 16, 2024 (the “REIT Release”), the “go-shop” period expired with no superior proposal having been received by Melcor REIT. Further to the REIT Release, Melcor REIT will be filing a Management Information Circular (the “Circular”) in connection with the special meeting to consider the arrangement contemplated by the Arrangement Agreement (the “Arrangement”). The Circular will include a recommendation, a detailed background to the Transaction, fairness opinions and an independent formal valuation.

Melcor believes the information contained in the Circular will assist in addressing questions and concerns raised by unitholders. Once the Circular is made publicly available, Melcor will be in a position to address unitholders directly, however until then, Melcor is not in a position to respond to any inquiries. The Circular and related materials for the meeting are expected to be made available by October 25, 2024 under the REIT’s profile on SEDAR+ at www.sedarplus.ca.

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 170 communities and commercial projects across Western Canada and today manages 4.79 million sf in commercial real estate assets and 455 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 Kelowna, British Columbia and Phoenix, Arizona. Melcor has been a public company since 1968 and trades on the Toronto Stock Exchange (TSX:MRD).

Forward Looking Statements

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 Melcor's and the REIT's control. In this news release, forward-looking information includes, among other things, statements relating to expectations with respect to the timing and outcome of the Arrangement and the anticipated benefits of the Arrangement to the parties and their respective security holders. The forward-looking information is based on certain key expectations and assumptions made by each of Melcor and the REIT, including with respect to the structure of the Transaction and all other statements that are not historical facts. The timing and completion of the Transaction is subject to customary closing conditions, termination rights and other risks and uncertainties including, without limitation, required regulatory, court, and unitholder approvals. Although management of each of Melcor and the REIT believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that any transaction, including the Arrangement, will occur or that it will occur on the timetable or on the terms and conditions contemplated in this news release. The Transaction could be modified, restructured or terminated. Readers are cautioned not to place undue reliance on forward-looking information. Additional information on these and other factors that could affect Melcor and the REIT 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 Melcor and the REIT to differ materially from those expressed or implied by such forward-looking statements. Furthermore, the forward-looking statements contained in this news release are made as of the date of this news release and neither Melcor, nor the REIT 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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