



**DUNDEE ACQUISITION LTD. AND CHC STUDENT HOUSING CORP. ANNOUNCE  
MODIFICATIONS TO PROPOSED BUSINESS COMBINATION AND A PROPOSED  
OFFERING BY DUNDEE ACQUISITION LTD.**

**ISS AND GLASS LEWIS BOTH SUPPORT THE TRANSACTION**

**\*\*\* NOT FOR RELEASE IN THE UNITED STATES \*\*\***

**Toronto, Ontario, December 15, 2016** - Dundee Acquisition Ltd. (TSX: DAQ.A, DAQ.WT) ("DAQ") and CHC Student Housing Corp. (TSX-V: CHC) ("CHC") announce that DAQ and CHC are making certain modifications to the terms of their proposed business combination including certain property acquisitions.

On August 25, 2016, DAQ and CHC announced that they had entered into a definitive arrangement agreement (the "**Arrangement Agreement**") to effect a business combination by way of a court approved plan of arrangement (the "**Arrangement**") and that DAQ had concurrently entered into a series of agreements to acquire additional student housing properties from various third party vendors (the Arrangement and such concurrent property acquisitions collectively being the "**Qualifying Acquisition**"). The pro forma company will manage and own an interest in up to 17 properties with over 4,000 student housing beds with an average proximity to universities and colleges of approximately 0.7 km in 12 cities across Canada. The resulting issuer is expected to be renamed Canadian Student Living Group Inc. ("**CSL**") and will be led by CHC's Chief Executive Officer, Mark Hansen, and the current CHC management team. DAQ subsequently filed on November 25, 2016 a non-offering prospectus (the "**Prospectus**") containing, among other things, disclosure of the Qualifying Acquisition as well as CSL, as the resulting issuer, assuming completion of the Qualifying Acquisition.

Based on discussions with a number of institutional investors, DAQ is considering options to raise additional common equity concurrently with the closing of the Qualifying Acquisition, in order to partially fund its anticipated future growth and, if applicable, fully or partially offset any redemptions of Class A restricted voting shares of DAQ (the "**Class A Restricted Voting Shares**"). Accordingly, DAQ intends to seek to complete, subject to TSX consent, an offering for up to \$50 million worth of Class B Shares upon the closing of the Qualifying Acquisition for \$10.08 per Class B Share (the "**Offering**"). The Offering will be conditional on the closing of the Qualifying Acquisition and DAQ believes that it will be conducted so as to be accretive to current shareholders of DAQ. Those Class B Shares issued pursuant to the Offering will become freely tradeable common shares of CSL as part of the Arrangement.

DAQ expects the financial effects of the Offering to be as follows:

- (a) increased cash to finance anticipated future growth and/or offset redemptions of Class A Restricted Voting Shares, which would also lead potentially to modest additional interest income pending deployment of such cash;
- (b) potentially reducing bridge loan debt levels; and
- (c) greater equity in an amount equal to the Offering, and a correspondingly greater number of common shares of CSL outstanding.

In addition, DAQ and CHC have been advised that the right of first refusal on the Ottawa Property (as such term is defined in the Prospectus) has been exercised by the third party having such right, and thus this property will not be acquired by CSL following closing, which will also reduce the need for bridge debt financing.

The additional cash resulting from these changes could be used to acquire other properties.

To facilitate the Offering, DAQ's special meeting of shareholders currently scheduled to be held on December 20, 2016 has been postponed until January 27, 2017, and DAQ intends to appear before the Court to set a new record date of December 28, 2016 (the "**Meeting**"). DAQ and CHC have also agreed to amend the Arrangement Agreement to extend the outside date for completing the Arrangement from December 31, 2016 to February 15, 2017.

In light of the adjusted timeframe for the Qualifying Acquisition, it has also been decided that WCP Student Housing LP will proceed to acquire 100% of the Woodbourne Co-Ownership Properties (as such term is defined in the Prospectus) on or about December 15, 2016, subject to CSL's right to acquire a 50% interest therein, which is expected to occur in January 2017 shortly following the closing of the Qualifying Acquisition. The remaining acquisitions expected to be completed upon closing of the Qualifying Acquisition are expected to readily satisfy the 80% requirement applicable to DAQ under TSX rules applicable to special purpose acquisition corporations.

DAQ plans to file a material change report and an amendment to the Prospectus (the "**Prospectus Amendment**") shortly in relation to these changes. A revised information circular is expected to be delivered to shareholders of DAQ in due course.

DAQ also announced that ISS has recommended that DAQ shareholders vote FOR the Qualifying Acquisition, noting that "there is a compelling rationale for shareholders to support the deal and forgo redemption."

Glass Lewis also recommended that shareholders support the transaction, stating that "we believe the proposed transaction represents a compelling opportunity to enhance value for all shareholders."

Copies of this news release and the Prospectus Amendment will be available on [www.sedar.com](http://www.sedar.com) under DAQ's profile, and on DAQ's website at [www.dundeeacquisition.com](http://www.dundeeacquisition.com). A copy of this news release will also be available on [www.sedar.com](http://www.sedar.com) under CHC's profile.

### **About Dundee Acquisition Ltd.**

Dundee Acquisition Ltd. is a special purpose acquisition corporation formed for the purpose of effecting an acquisition of one or more businesses or assets, by way of a merger, share exchange, asset acquisition, share purchase, reorganization, or any other similar business combination.

### **About CHC Student Housing Corp.**

CHC Student Housing Corp. is Canada's only publicly traded company offering high-quality purpose-built multi-residential student housing properties strategically located on campus or in close proximity to universities and colleges providing students a safe and secure living environment, affordable prices and high-quality amenities. CHC is focused on acquiring, developing and managing student housing in primary and well understood secondary markets in Canada. For more information, visit CHC at [www.chcstudenthousing.com](http://www.chcstudenthousing.com).

### ***Cautionary Statements***

*Certain information contained in this news release may be forward-looking statements within the meaning of Canadian securities laws. Forward-looking statements are often, but not always identified by the use of words such as "expect", "anticipate", "believe", "foresee", "could", "estimate", "goal", "intend", "plan", "seek", "will", "may" and "should" and similar expressions or words suggesting future outcomes. This news release includes forward-looking information and statements pertaining to, among other things, the Arrangement, the acquisition of additional student housing properties, the receipt of necessary approvals for the transactions, the anticipating timing for filing of the Prospectus Amendment, completion of the Arrangement, certain anticipated strategic, operational and competitive advantages and benefits created by Arrangement and future opportunities for CSL.*

*These forward-looking statements reflect material factors and expectations and assumptions of DAQ and CHC including, without limitation, expectations and assumptions relating to DAQ being able to receive all required regulatory and court approvals for the Arrangement, current estimates and assumptions regarding the Arrangement and concurrent transactions and their benefits, which are based on DAQ's and CHC's perception of historical trends, current conditions and expectations, as well as other factors management believes are appropriate in the circumstances. DAQ's and CHC's estimates, beliefs and assumptions are inherently subject to uncertainties and contingencies regarding future events and as such, are subject to change.*

*Numerous risks and uncertainties could cause the actual events and results to differ materially from the estimates, beliefs and assumptions expressed or implied in the forward-looking statements, including, but not limited to: the conditions to the consummation of the Arrangement and concurrent property acquisitions may not be satisfied or waived; risks relating to the failure to obtain necessary shareholder, court and regulatory approvals for the Arrangement and concurrent property acquisitions; high levels of redemptions by DAQ's shareholders; the anticipated strategic, operational and competitive benefits may not be realized; the Arrangement and concurrent property acquisitions may be modified, restructured or terminated; events or series of events may cause business interruptions; DAQ's and CSL's ability to raise additional capital; the availability of equity and debt financing and/or refinancing on acceptable terms; the successful integration of CSL with the concurrent property acquisitions and the realization of any anticipated synergies; and the availability of future cash flows available for the payment of dividends.*

*Readers are cautioned that the foregoing list of factors is not exhaustive. Other risks and uncertainties not presently known to DAQ or CHC or that they presently believe are not material could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Additional information on these and other factors that could affect events and results are included in other documents and reports filed by DAQ or CHC with applicable securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)). Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect DAQ's and CHC's expectations only as of the date of this document. DAQ and CHC disclaim any obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as required by law.*

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