

Partners Value Investments Announces Capital Reorganization

TORONTO, April 25, 2016 – Partners Value Investments Inc. (the “Company”) (PVF: TSX-V) today announced a proposed capital reorganization by way of a plan of arrangement under Ontario law. The reorganization will result in shareholders of the Company owning a limited partnership interest in a new Ontario limited partnership, Partners Value Investments LP (“PVLP”) and the Company will become a wholly-owned subsidiary of PVLP.

Under the reorganization, all of the issued and outstanding common shares (“Common Shares”) and non-voting shares (“Non-Voting Shares”) and together with the Common Shares, the “Shares”) of the Company will be exchanged for one equity limited partnership unit of PVLP (“Equity LP Units”) and 0.2719 Class A Preferred LP Units, Series 1 of PVLP (“Series 1 Preferred LP Units”).

Shareholders will also receive in the arrangement one purchase warrant for each Share held. The purchase warrant will entitle the holder thereof to purchase one (1) exchangeable share issued by the Company for every five (5) warrants held by such holder for a period of 10 years at a price of 125% of the volume weighted average trading price of the Common Shares on the TSX Venture Exchange (“TSX-V”) calculated using the 30 trading days preceding the effective date of the reorganization on which at least one trade of one board lot occurred on the TSX-V, and adjusted to take into account the issuance of the Series 1 Preferred LP Units. The exchangeable shares will be exchangeable for Equity LP Units of PVLP at the option of the holder.

Reorganization Highlights

The reorganization comprises the following three key elements:

- Conversion of the Company into a limited partnership structure, with the Equity LP Units, Series 1 Preferred LP Units, and Warrants to be listed on the TSX-V;
- Distribution of US\$500 million of Series 1 Preferred LP Units to existing shareholders:
 - These Series 1 Preferred LP Units will have a US\$25 face value per unit and will pay an annual distribution of US\$1.125 per unit, equivalent to a 4.5% annual coupon;
 - The Series 1 Preferred LP Units will be exchangeable for Equity LP Units in connection with or following a rights offering or, with the consent of the independent directors, a public offering by PVLP, and can also be used to satisfy the exercise price of the Warrants; and
- Distribution of Warrants to existing shareholders, which will allow them to acquire additional Equity LP Units.

Rationale for the Reorganization

The benefits to shareholders of the proposed reorganization include:

- The potential for shareholders to receive a cash return on their investment through the quarterly distribution that is expected to be paid on the Series 1 Preferred LP Units. The anticipated annual distribution, which is expected to be approximately US\$22.5 million per year, is the equivalent of US\$0.31 for each existing Common Share;
- If an existing shareholder sells their Series 1 Preferred LP Units at par to acquire additional Equity LP Units following the reorganization, an investment in one Common Share today would provide an effective investment in 1.59 shares of Brookfield Asset Management post-reorganization, up from 1.17 previously;
- The issuance of Warrants by the Company will enable Warrant holders to acquire an additional equity investment in PVLP in the future, providing further participation in increases in value of the Company. In addition, the Company will potentially receive a premium to the current market price when these warrants are ultimately exercised by their holders within 10 years’ time, providing additional capital resources; and
- The conversion to a limited partnership will enable the Company to optimize its tax affairs and allow distributions to be made to investors without incurring multiple layers of tax.

Special Committee Process

The Company’s Board of Directors formed a special committee of directors (the “Special Committee”), each of whom is independent of the Company and its management as well as PVLP, the General Partner of PVLP (the “General Partner”) and its affiliates, to consider the proposed reorganization. After careful consideration, including consultation with its independent legal and financial advisors, the Special Committee concluded that the proposed reorganization is fair to shareholders (excluding shareholders who are also shareholders of the General Partner) and is in the best interests of the Company. The Special Committee unanimously recommended that the Board approve the proposed reorganization and that shareholders of the Company vote their Shares in favour of the proposed reorganization.

The Special Committee retained independent financial and legal advisors to assist it in its consideration of the proposed reorganization. BDO Canada LLP provided an opinion to the Special Committee that, subject to the analysis, scope of review, assumptions and limitations, and other matters set out therein, in the opinion of BDO Canada the proposed reorganization is fair, from a financial point of view, to shareholders of the Company (other than shareholders that are also shareholders of the General Partner).

Other Reorganization Details

The common shares of PVLP’s General Partner will be owned by Partners Limited, who currently owns approximately 49% of the Shares of the Company, and six other individuals who are each, directly or indirectly, shareholders of PVI with a meaningful economic interest in the Company, including George Myhal, the CEO. Upon completion of the proposed reorganization, the initial board of directors of the General Partner will be the same as the current board of directors of the Company.

The implementation of the proposed reorganization is subject to the approval of at least two-thirds of the votes cast by holders of

Common Shares and Non-Voting Shares present in person or represented by proxy and entitled to vote at the meeting, each voting separately as a class, and a majority of the votes cast by minority holders of Common Shares who are present in person or represented by proxy and entitled to vote. Completion of the reorganization is also subject to the approval of the plan of arrangement by the Ontario Superior Court of Justice and the TSX-V.

Shareholders will have an opportunity to vote on the reorganization at the previously announced annual and special meeting of shareholders to be held on May 26, 2016. Subject to the satisfaction of all closing conditions, the reorganization is expected to be completed in the second quarter of 2016.

For further details concerning, among other things, the review and approval process carried out by the Special Committee, the reasons for the Special Committee's recommendation and a copy of the fairness opinion prepared by BDO Canada LLP, please consult the management information circular to be prepared and mailed to shareholders of the Company in advance of the annual and special meeting.

This news release shall not constitute an offer to sell or a solicitation of an offer to buy the limited partnership units of PVLP, warrants of the Company or any other securities, and shall not constitute an offer, solicitation or sale in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful. The securities to be offered by PVLP have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act.

For additional information, please contact:

David Clare
Investor Relations
647-503-6516
ir@pvii.ca

Forward Looking Statements

Note: This news release contains "forward-looking statements" within the meaning of Canadian securities laws. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "intends", "targets", "projects", "forecasts", "seeks", "likely" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could". Forward-looking statements in this news release include statements regarding the timing of completion of the proposed reorganization, the benefits to be received by shareholders, the receipt of the required regulatory approvals. Forward-looking statements are provided for the purpose of presenting information about current expectations and plans of management of the Company relating to the future, and readers are cautioned that such statements may not be appropriate for other purposes. Although management believes that these forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on them or other forward-looking statements because they involve known and unknown risks, uncertainties, and other factors, which may cause the actual results to differ materially from the anticipated future results expressed or implied by such forward-looking statements.

Factors that could cause actual results to differ materially from those set forward in the forward-looking statements include, but are not limited to, the proposed reorganization successfully occurring, which cannot be assured, the impact of it on the Company's business and prospects and other risk factors and uncertainties detailed from time to time in the Company's documents filed with the securities regulators in Canada.

The Company cautions that the foregoing list of important factors that may affect future results is not exhaustive. When relying on the Company's forward-looking statements and information, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements and information, whether written or oral, that may be as a result of new information, future events or otherwise. However, any further disclosures made on related subjects in subsequent reports should be consulted.

