

## **PRESS RELEASE**

### **MAGNETAR ANNOUNCES ACQUISITION OF CONVERTIBLE PREFERRED SHARES OF MAINSTREET HEALTH INVESTMENTS INC.**

#### **FOR IMMEDIATE RELEASE**

**TORONTO, ON – December 22, 2017** – Magnetar Financial LLC (“Magnetar”) today announced that Magnetar Constellation Master Fund, Ltd, Magnetar Xing He Master Fund Ltd, Magnetar Andromeda Select Master Fund Ltd, Magnetar Constellation Master Fund V Ltd and Magnetar Constellation Fund II, Ltd (collectively, the “Magnetar Funds”) have entered into subscription agreements with Mainstreet Health Investments Inc. (“Mainstreet” or the “Company”) in respect of the issuance to the Magnetar Funds of class A convertible preferred shares (“Preferred Shares”) of Mainstreet (the “Private Placement”).

The Private Placement is being funded in two tranches. The first tranche closed today resulting in the issuance of 2,802,009 Preferred Shares, at a price of US\$9.4575 per Preferred Share (representing approximately C\$12.0668), for an aggregate purchase price and gross proceeds to Mainstreet of approximately US\$26,500,000 (representing approximately C\$33,811,350). The second tranche of the Private Placement, which would result in the issuance of 2,907,745 Preferred Shares, at a price of US\$9.4575 per Preferred Share (representing approximately C\$12.0668), for an aggregate purchase price and gross proceeds to Mainstreet of approximately US\$27,500,000 (representing approximately C\$35,087,250), is subject to approval of Mainstreet’s shareholders under the rules of the Toronto Stock Exchange (the “TSX”) and other customary closing conditions and is expected to close in the first quarter of 2018.

The Preferred Shares are non-voting and are initially convertible into common shares of Mainstreet (“Common Shares”) on a one-for-one basis at the option of the holder based on an initial liquidation preference of US\$9.75 and a conversion price of US\$9.75. The liquidation preference of the Preferred Shares will accrete at a rate of 5.65% per annum, compounded quarterly, increasing the number of Common Shares into which each Preferred Share is convertible, and is subject to further adjustments in certain circumstances. In certain circumstances, Mainstreet may redeem the Preferred Shares for an amount equal to their liquidation preference and may also require the conversion of the Preferred Shares. If any Preferred Shares are redeemed or mandatorily converted in the first year following issuance, the liquidation preference of such Preferred Shares will be increased by an amount equal to 4.00% of the initial liquidation preference. This percentage increase in the liquidation preference will be reduced by 1% per year in respect of redemptions or mandatory conversions in the second, third and fourth years following issuance.

Prior to the closing of the first tranche of the Private Placement, Magnetar, together with the Magnetar Funds and other Magnetar funds in respect of which Magnetar Financial LLC is the investment manager, did not own or have control over any preferred shares of Mainstreet, and owned and had control over an aggregate of 13,190,383 Common Shares, representing approximately 40.78% of the outstanding Common Shares. Upon closing of the first tranche of the Private Placement, the Preferred Shares represented all of the issued and outstanding Preferred Shares and, assuming the voluntary conversion as of the closing date of all of the

Preferred Shares they acquired, Magnetar, together with the Magnetar Funds and other Magnetar funds in respect of which Magnetar Financial LLC is the investment manager, would own and have control over an aggregate of 15,992,392 Common Shares, representing approximately 45.50% of the outstanding Common Shares.

Concurrently with the closing of the first tranche of the Private Placement, the Company and the Magnetar Funds have entered into a registration rights agreement pursuant to which the Company has granted Magnetar certain customary demand and “piggy back” registration rights in respect of the Common Shares held by the Magnetar Funds and their affiliates, including Common Shares that may be issued upon the conversion of Preferred Shares.

The Preferred Shares were acquired for investment purposes, and in the future, Magnetar and the Magnetar Funds may discuss with management and/or the board of directors of Mainstreet business transactions and other opportunities and may further purchase, hold, vote, trade, dispose or otherwise deal in the securities of Mainstreet, in such manner as they deem advisable, depending on market and other conditions.

An early warning report will be filed by Magnetar in accordance with applicable securities laws and will be available on SEDAR at [www.sedar.com](http://www.sedar.com) or may be obtained directly from Magnetar upon request at the telephone number below. Mainstreet’s registered office is located at 700 W Georgia Street, 25<sup>th</sup> Floor, Vancouver, British Columbia V7Y 1B3 and its head office is located at 333 Bay Street, Suite 3400, Toronto, Ontario, M5H 2S7. The address of each of the Magnetar Funds is c/o Magnetar Financial LLC, 1603 Orrington Avenue, Suite 1300, Evanston IL 60201 USA.

Contact Information:

Michael Shore  
847-905-4400  
[media@magnetar.com](mailto:media@magnetar.com)