

Press Release:



TSX SYMBOLS: XMF, XMF.PR.A

M SPLIT CORP.

Announces Further Details of Capital Reorganization

TORONTO, ONTARIO – March 4, 2010 / Marketwire: M Split Corp. (the “Company”) previously announced that a proposed capital reorganization plan for the Company had been approved at the special meeting of Shareholders held on February 3, 2010. The special retraction right afforded to Shareholders in connection with the reorganization has now expired, and the Company expects to complete the reorganization later this month, following the payment of the shares retracted pursuant to the special retraction which is expected to occur no later than March 19, 2010.

On the reorganization date:

Holders of the existing Priority Equity Shares will receive the following securities for each Priority Equity Share held:

One \$5.00 Class I Preferred Share – paying fixed cumulative preferential monthly dividends to yield 7.50% per annum on the \$5.00 notional issue price and having a repayment objective on December 1, 2014 or such other date as the Company may be terminated (the “Termination Date”) of \$5.00;

One \$5.00 Class II Preferred Share – paying distributions to yield 7.50% per annum on the \$5.00 notional issue price if and when the net asset value per Unit exceeds \$12.50 and having a repayment objective on the Termination Date of \$5.00;

One 2011 Warrant – each 2011 Warrant can be exercised to purchase one Class I Preferred Share, one Class II Preferred Share and one Capital Share for an exercise price of \$10.00 at specified times until February 28, 2011; and

One 2012 Warrant – each 2012 Warrant can be exercised to purchase one Class I Preferred Share, one Class II Preferred Share and one Capital Share for an exercise price of \$12.50 at specified times until February 28, 2012.

Holders of the existing Class A Shares will receive the following security for each Class A Share held:

Up to One Capital Share – Capital Shares will continue to participate in any net asset value growth over \$10.00 per Unit and dividends would be reinstated only if and when the net asset value per Unit exceeds \$15.00. The dividend rate on the Capital Shares will be set by the Board of Directors of the Company at its discretion, based on market conditions. No dividend payments will be made on the Capital Shares unless all dividends on the Class I Preferred Shares and, if applicable, Class II Preferred Shares have been declared and paid.

The Company must ensure that there are the same number of shares of each class outstanding following the reorganization. Because more Priority Equity Shares were tendered for retraction in the special retraction right than Class A Shares, if all such shares are retracted then there will be more Class A Shares outstanding than Priority Equity Shares. The Company has the right to recirculate Priority Equity Shares tendered for retraction (that is, the Company will try to find purchasers for those shares at prices at least equal to the special retraction price) and if it is successful in doing so those shares will not be retracted but sold to that purchaser. The exact number of Capital Shares to be issued will therefore depend upon the ability of the Company to recirculate some of the Priority Equity Shares tendered for retraction pursuant to the special retraction right. But if it is not able to recirculate sufficient Priority Equity Shares such that the number of those shares to be retracted is equal to the number of Class A Shares to be retracted, the Company may effectively need to consolidate the number of Class A Shares down to match the number of Priority Equity Shares to be outstanding following such retraction as part of the process of implementing the capital reorganization. Depending upon the number of shares recirculated, between 0.91 and 1.00 Capital Shares will be issued for each Class A Share held by Shareholders on the reorganization date.

It is intended that the Class I Preferred Shares, Class II Preferred Shares, Capital Shares, 2011 Warrants and 2012 Warrants will be listed and posted for trading on the TSX.

Additional information regarding the capital reorganization is contained in the Management Information Circular dated December 23, 2009 prepared in respect of the special meeting, available on SEDAR at www.sedar.com or on the Company's website. The Company will issue a further press release setting out details of the ratio for the conversion of Class A Shares based on any required consolidation, and the date on which Class I Preferred Shares, Class II Preferred Shares and Capital Shares will be issued, once such details have been determined.

For further information please contact Investor Relations at 416-304-4443, or toll free at 1-877-4-Quadra (1-877-478-2372), or visit www.M-Split.com.