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BRASCAN CORP/
Form F-8
April 11, 2002

As filed with the Securities and Exchange Commission on April 11, 2002.

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM F-8
REGISTRATION STATEMENT UNDER
THE SECURITIES ACT OF 1933

BRASCAN CORPORATION
(Exact name of registrant as specified in its charter)

Province of Ontario, Canada (Providence or other jurisdiction of incorporation or organization)	1121, 1031, 1061, 1311, 1321, 2421, 4939, 6311 (Primary Standard Industrial Classification Code Numbers)	Not A (I.R.S. Identific
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Brascan Corporation
181 Bay Street, Suite 4400
P.O. Box 762
Toronto, Ontario M5J 2T3
(416) 363-9491
(Address, including zip code, and telephone number,
including area code, of Registrant's principal executive offices)

Andrew J. Beck, Esq.
Torys LLP
237 Park Avenue
New York, New York 10017-3142
(212) 880-6000
(Name, address, including zip code, and telephone number,
including area code, of agent for service)

Copies to:

Edwin Nordholm, Esq.
Torys LLP
Suite 3000, Maritime Life Tower
Toronto Dominion Centre
Toronto, Canada M5K 1N2
(416) 865-0040

Approximate date of commencement of proposed sale to the public:
As soon as practicable after this Registration Statement becomes effective.

This registration statement and any amendment thereto shall become effective upon filing with the Commission in accordance with Rule 467(a).

If any of the securities being registered on this Form are to be offered on a

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delayed or continuous basis pursuant to the home jurisdiction's shelf prospectus offering procedures, check the following box. []

PART I
INFORMATION REQUIRED TO BE DELIVERED TO OFFEREES OR PURCHASERS

Item 1. Home Jurisdiction Documents

Offer and Circular dated as of April 11, 2002, including Letter of Transmittal and Notice of Guaranteed Delivery (attached to Exhibits 3.2 and 3.3 to this Registration Statement).

Item 2. Informational Legends

See the inside cover page of the Offer and Circular dated as of April 11, 2002.

Item 3. Incorporation of Certain Information by Reference

See "Documents Incorporated by Reference Regarding Brascan" in the Offer and Circular dated as of April 11, 2002.

Item 4. List of Documents Filed with the Commission

See "Documents Filed as Part of the U.S. Registration Statement" in the Offer and Circular dated as of April 11, 2002.

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This document is important and requires your immediate attention. If you are in doubt as to how to deal with it, you should consult your investment dealer, stockbroker, bank manager, lawyer or other professional advisor.

BRASCAN CORPORATION

OFFER TO PURCHASE

all of the outstanding

Class A Shares and Class B Non-Voting Shares

of

TRILON FINANCIAL CORPORATION

not owned by Brascan Corporation or its affiliates

in exchange for, at the election of each Shareholder tendering to the Offer,

- (i) \$17.00 in cash (subject to pro ration and other adjustments, as described in sections 1 and 11, respectively, of the Offer); or
- (ii) 0.5 of a Class A Limited Voting Share of Brascan Corporation (subject to pro ration, as described in the Offer); or
- (iii) 0.678 of a \$25.00 Brascan Non-Cumulative Class A Preference Share,

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Series 11 and \$0.05 in cash

for each share of Trilon Financial Corporation tendered.

The aggregate amount of cash paid as consideration is limited to \$388 million. The aggregate number of Class A Limited Voting Shares of Brascan Corporation issued as share consideration is limited to 11.4 million shares. If either of these limits is exceeded, the amount of cash paid in the first option above and the number of Class A Limited Voting Shares of Brascan Corporation issued in the second option above will be adjusted on a pro rata basis. The Brascan Non-Cumulative Class A Preference Shares, Series 11 will only be issued if Shareholders elect in aggregate to receive at least \$10,000,000 (or such lesser amount as Brascan may determine) in issue price of Brascan Non-Cumulative Class A Preference Shares, Series 11.

The offer (the "Offer") to purchase Class A Shares and Class B Non-Voting Shares (collectively, the "Trilon Shares") of Trilon Financial Corporation ("Trilon") by Brascan Corporation ("Brascan") will be open for acceptance until 11:59 p.m. (local time) on May 16, 2002, unless withdrawn or extended. Subject to the terms and conditions of the Offer, Brascan will take up and pay for the Trilon Shares deposited under the Offer on, or as soon as practicable after, May 17, 2002.

Brascan has received conditional listing approval from The Toronto Stock Exchange for the additional Class A Limited Voting Shares of Brascan and the Brascan Non-Cumulative Class A Preference Shares, Series 11 to be issued under the Offer. Brascan has also applied to list the additional Class A Limited Voting Shares of Brascan on the New York Stock Exchange and the Brussels Stock Exchange.

The Offer is subject to the conditions set forth in section 4 of the Offer, "Conditions of the Offer", including that the number of Trilon Shares tendered to the Offer represents more than 50% of the total number of Class A Shares of Trilon outstanding (calculated on a fully diluted basis), other than those Trilon Shares owned by Brascan, its associates or affiliates or by other persons whose Trilon Shares may not be included as part of the minority approval of a Subsequent Acquisition Transaction (as defined herein). Brascan reserves the right to amend any or all of the conditions in its sole discretion at any time.

The Trilon board of directors, after review of the Offer by an independent committee of the board has determined that the Offer is fair to holders of Trilon Shares ("Shareholders") other than Brascan and its affiliates and has unanimously recommended that those Shareholders accept the Offer and tender their Trilon Shares to the Offer.

April 11, 2002

Shareholders who wish to accept the Offer must properly complete and execute the accompanying Letter of Transmittal (printed on green paper) or a manually signed facsimile thereof and deposit it, together with certificates representing their Trilon Shares, in accordance with the instructions in the Letter of Transmittal. A Shareholder who wishes to deposit Trilon Shares and whose share certificates for those Trilon Shares are not readily available should complete and execute the accompanying Notice of Guaranteed Delivery (printed on blue paper) or a manually signed facsimile thereof and deposit it in compliance with the procedure for guaranteed delivery set forth under section 3 of the Offer, "How to Tender Trilon Shares to the Offer".

Questions and requests for assistance may be directed to the CIBC Mellon Trust

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Company (the "Depositary") and additional copies of this document, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained without charge on request from the Depositary at its offices and phone numbers shown on the last page of this document. Persons whose Trilon Shares are held in an account with an investment dealer, stockbroker, bank, trust company or other nominee should contact their representative if they wish to accept the Offer.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, nor will deposits be accepted from or on behalf of, Shareholders in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. However, Brascan or its agents may, in Brascan's sole discretion, take such action as it may deem necessary to extend the Offer to Shareholders in such jurisdiction.

INFORMATION FOR U.S. SHAREHOLDERS

This offering is made by a foreign issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this document in accordance with the disclosure requirements of its home country. Shareholders should be aware that such requirements are different from those of the United States. The financial statements included or incorporated herein, if any, have been prepared in accordance with foreign generally accepted accounting principles, and may be subject to foreign auditing and auditor independence standards, and, thus, may not be comparable to financial statements of United States companies.

Shareholders should be aware that acquisition of the Brascan Shares and Brascan Non-Cumulative Class A Preference Shares, Series 11 described herein may have tax consequences both in the United States and in the home country of Brascan. Such consequences for investors who are resident in, or citizens of, the United States may not be described fully herein.

The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that each of Trilon and Brascan is formed under the laws of Ontario, that some or all of their directors and officers may be residents of Canada, that some or all of the experts named in the Offer or Circular may be residents of Canada, and that all or a substantial portion of the assets of said persons may be located outside the United States.

THE SECURITIES OFFERED HEREUNDER HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Shareholders should be aware that, while the Offer is outstanding, Brascan or its affiliates, directly or indirectly, may bid for and make purchases of Trilon Shares or other securities as permitted by applicable laws or regulations of Canada or its provinces or territories.

Additional copies of this document, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Depositary at any of its offices listed on the last page of this document.

All dollar references in the Offer and Circular are in Canadian dollars, except as otherwise indicated.

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GLOSSARY

In the Offer and the Circular, unless the subject matter or context is inconsistent therewith, the following terms shall have the meanings set forth below:

"affiliate" has the meaning ascribed thereto in the OSA;

"associate" has the meaning ascribed thereto in the OSA;

"Brascan" means Brascan Corporation, a corporation existing under the OBCA;

"Brascan Non-Cumulative Class A Preference Shares, Series 11" means non-cumulative Class A Preference Shares, Series 11 of Brascan;

"Brascan Shares" means Class A Limited Voting Shares of Brascan;

"CCRA" means Canada Customs & Revenue Agency;

"Circular" means the take-over bid circular accompanying and forming part of the Offer;

"Compulsory Acquisition" has the meaning ascribed thereto in "Acquisition of Trilon Shares not Deposited - Compulsory Acquisition" in the Circular;

"Current Brascan Market Price" means the weighted average trading price of the Brascan Shares on The Toronto Stock Exchange for a period of 20 consecutive trading days ending on the fourth day prior to the date specified for conversion of the Class A Preference Shares, Series 11, or, if that fourth day is not a trading day, on the immediately preceding trading day;

"CVMQ" means the Commission des valeurs mobilières du Québec;

"Deposit Period" means the period commencing on the date hereof and ending at 11:59 p.m. (local time) on May 16, 2002, or such later time or times or date or dates as may be fixed by Brascan from time to time pursuant to section 5 of the Offer, "Extension and Variation of the Offer";

"Depositary" means CIBC Mellon Trust Company;

"Directors' Circular" means the directors' circular prepared by the board of directors of Trilon in respect of the Offer;

"Eligible Institution" means a Canadian chartered bank, a major trust company in Canada, a member of the Securities Transfer Association Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange, Inc. Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada or the United States, members of the Investment Dealers Association of Canada, members of The National Association of Securities Dealers or banks or trust companies in the United States;

"Expiry Time" means the later of (i) the end of the Deposit Period, and (ii) the time at which Brascan is obligated to take up or reject the Trilon Shares deposited under the Offer;

"fully-diluted" means, with respect to the number of Trilon Shares at any time, the number of Trilon Shares actually outstanding at such time assuming that any options then outstanding to acquire Trilon Shares or other securities then outstanding which are convertible into or exercisable or exchangeable for Trilon Shares have been exercised, converted or exchanged;

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"going private transaction" has the meaning given to that term in Rule 61-501 and Policy Q-27;

"Independent Committee" means the special committee of the board of directors of Trilon consisting of A. Gordon Craig, Susan E. Crocker, William A. Dimma (Chair), Patrick J. Keenan, Donald C. Lowe and David R. McCamus, all of whom are independent directors of Trilon;

"Letter of Transmittal" means the letter of transmittal and election form accompanying this Circular, to be completed by registered holders of Trilon Shares (printed on green paper);

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"Management" means the management of Trilon;

"Material Adverse Change" means any change (or any condition, event or development involving a prospective change) in the business, operations, affairs, assets, liabilities (including any contingent liabilities that may arise through outstanding or threatened litigation or otherwise), capitalization, financial condition or prospects of Trilon or Brascan or any of their subsidiaries or associates that would reasonably be expected to materially and adversely affect either Trilon and its subsidiaries and associates, or Brascan and its subsidiaries and associates, as the case may be, in each case on a consolidated basis;

"MDSUP" means the Management Deferred Share Unit Plan of Trilon;

"Minimum Condition" has the meaning ascribed thereto in section 4 of the Offer, "Conditions of the Offer";

"Minimum Series 11 Amount" means \$10,000,000, or such lesser amount as Brascan may determine in its sole discretion;

"MSOP" means the Management Share Option Plan of Trilon;

"MSPP" means the Management Share Purchase Plan of Trilon;

"Notice of Guaranteed Delivery" means the notice of guaranteed delivery in the form accompanying the Offer and Circular (printed on blue paper);

"NYSE" means the New York Stock Exchange;

"OBICA" means the Business Corporations Act (Ontario), as amended;

"Offer" means the offer to purchase Trilon Shares made hereby, the terms and conditions of which are set forth in the accompanying Offer, Circular, Letter of Transmittal and Notice of Guaranteed Delivery;

"Offer Period" means the period commencing on the date hereof and ending at the Expiry Time;

"Options" means options to acquire Trilon Shares issued under Trilon's stock option plan;

"OSA" means the Securities Act (Ontario), as amended;

"OSC" means the Ontario Securities Commission;

"Policy Q-27" means Policy No. Q-27 of the CVMQ;

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"Rule 61-501" means OSC Rule 61-501 - Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions;

"Shareholders" means the holders of Trilon Shares, and "Shareholder" means any one of them;

"Subsequent Acquisition Transaction" has the meaning ascribed thereto in "Acquisition of Trilon Shares Not Deposited" in the Circular;

"subsidiary" has the meaning ascribed thereto in the OSA;

"Tax Act" means the Income Tax Act (Canada), as amended;

"TD Securities" means TD Securities Inc., the independent financial advisor retained by the Independent Committee to prepare the Valuation and the Fairness Opinion;

"Trilon" means Trilon Financial Corporation, a corporation existing under the OBCA;

"Trilon Shares" means both the Class A Shares and the Class B Non-Voting Shares of Trilon;

"TSE" means The Toronto Stock Exchange;

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"undiluted" means, with respect to the number of shares in the capital of any company at any time, the number of such shares actually outstanding at such time without assuming that any options for such shares or other securities then outstanding which are convertible into or exercisable or exchangeable for such shares have been exercised, converted or exchanged; and

"Valuation and Fairness Opinion" means the written valuation and fairness opinion dated April 9, 2002 of TD Securities to the Independent Committee as to the fair market value as of April 4, 2002 of the Trilon Shares and the value as of April 4, 2002 of the Brascan Shares and the Brascan Non-Cumulative Class A Preference Shares, Series 11 as required pursuant to Rule 61-501 and Policy Q-27 and the opinion of TD Securities as to whether the consideration to be received pursuant to the Offer is fair, from a financial point of view, to the Shareholders other than Brascan and its affiliates.

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BRASCAN CORPORATION
Suite 4400, BCE Place
181 Bay Street
Toronto, Ontario
Canada M5J 2T3

OFFER

April 11, 2002

TO: THE HOLDERS OF CLASS A SHARES AND CLASS B NON-VOTING SHARES OF TRILON FINANCIAL CORPORATION

1. The Offer

Brascan hereby offers to purchase, on and subject to the terms and

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conditions specified in this Offer, all of the outstanding Class A Shares and Class B Non-Voting Shares of Trilon in exchange for, at the election of Shareholders tendering to the Offer:

- (i) Cash consideration: \$17.00 in cash for each Trilon Share (subject to pro ration as described below and subject to adjustment for a Trilon dividend anticipated to be declared in April 2002 (see section 11 of the Offer)),
- (ii) Share consideration: 0.5 of a Brascan Share for each Trilon Share (subject to pro ration as described below); or
- (iii) Preference share consideration: 0.678 of a \$25.00 Brascan Non-Cumulative Class A Preference Share, Series 11 and \$0.05 in cash.

Option to not receive cash: Shareholders electing to receive the preference share consideration option above can elect to forego the \$0.05 in cash per Trilon Share. This option may enable certain Shareholders to exchange their Trilon Shares for Brascan Non-Cumulative Class A Preference Shares, Series 11 on a tax deferred basis who would not be entitled to do so without foregoing the \$0.05 in cash and to enable Shareholders to obtain a tax deferral without filing documentation that may otherwise be required to obtain such deferral. See section 22 of the Circular, "Canadian Federal Income Tax Considerations - Exchange of Trilon Shares for Brascan Non-Cumulative Class A Preference Shares, Series 11 Only or for Brascan Shares Only".

The holders of Brascan Non-Cumulative Class A Preference Shares, Series 11 will be entitled to fixed non-cumulative preferential dividends in the amount of \$1.375 per share per annum, payable quarterly, representing a dividend yield of 5.5% per annum. These preference shares are redeemable on or after June 30, 2009 based on a specified redemption schedule. The Brascan Non-Cumulative Class A Preference Shares, Series 11 are convertible by Brascan on or after June 30, 2009, and by the holder on or after December 31, 2013, into Brascan Shares based on 95% of the weighted average market price of the Brascan Shares at the time of conversion, subject to the specific conversion terms and conditions. The Brascan Non-Cumulative Class A Preference Shares, Series 11 rank equally with all other series of Class A Preference Shares of Brascan. See section 2 in the Circular, "Description of Brascan Non-Cumulative Class A Preference Shares, Series 11". No Brascan Non-Cumulative Class A Preference Shares, Series 11 will be issued unless Shareholders elect in aggregate to receive at least the Minimum Series 11 Amount in issue price of Brascan Non-Cumulative Class A Preference Shares, Series 11. If no Brascan Non-Cumulative Class A Preference Shares, Series 11 are issued due to this minimum condition, Shareholders electing to receive these preference shares will be deemed to have elected to receive an equivalent amount of cash consideration.

The Offer is made only for Trilon Shares and is not made for any options, warrants, or other rights to purchase Trilon Shares. Any holder of options, warrants or rights who wishes to accept the Offer should exercise the options, warrants or rights in order to obtain certificates representing Trilon Shares and deposit the same in accordance with the Offer. Any such exercise must be effected sufficiently in advance of the Expiry Time to ensure that the holders of options, warrants or other rights to purchase Trilon Shares will have share certificate(s) available for deposit before the Expiry Time, or in sufficient time to comply with the procedures regarding guaranteed delivery.

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fractional shares and the \$0.05 in cash per Trilon Share paid with the Brascan Non-Cumulative Class A Preference Shares, Series 11) as consideration is limited to \$388 million. The aggregate number of Brascan Shares issued is limited to 11.4 million shares. If either of these limits is exceeded pursuant to elections made (or deemed to be made) by Shareholders who tender to the Offer, the cash consideration paid or the number of Brascan Shares issued will be adjusted on a pro rata basis for all Shareholders, as described below.

In the event that Brascan is unable to secure a certificate of amendment under the OBCA in respect of articles of amendment creating the Brascan Non-Cumulative Class A Preference Shares, Series 11 as a result of the strike by Ontario government employees prior to taking up and paying for Trilon Shares under the Offer, a Shareholder who elects to receive Brascan Non-Cumulative Class A Redeemable Preference Shares, Series 11 will be entitled to receive those preference shares as at the date that Brascan pays for Trilon Shares tendered by that Shareholder. However, notwithstanding the foregoing and sections 6 and 10 of the Offer, share certificates representing Brascan Non-Cumulative Class A Preference Shares, Series 11 will not be delivered to Shareholders until such time as Brascan receives a certificate of amendment under the OBCA in respect of articles of amendment creating the Brascan Non-Cumulative Class A Preference Shares, Series 11. Brascan will seek to secure this certificate immediately upon the strike ending. The TSE has conditionally approved for listing the Brascan Shares and the Brascan Non-Cumulative Class A Preference Shares, Series 11 issuable in connection with the Offer. The TSE will post these securities for trading when all conditions imposed by the TSE have been met, including in respect of the listing of the Brascan Non-Cumulative Class A Preference Shares, Series 11 when they are fully transferable. The transferability of the Brascan Non-Cumulative Class A Preference Shares, Series 11 may be adversely affected until such time as Brascan receives the certificate of amendment described above.

The Letter of Transmittal and Notice of Guaranteed Delivery accompanying this Offer and Circular set forth the manner in which such elections may be made. Shareholders who otherwise validly accept the Offer but fail to make an election or fail to properly make an election in the Letter of Transmittal or Notice of Guaranteed Delivery shall be deemed to have elected to receive \$17.00 in cash per Trilon Share.

The actual consideration to be received by a Shareholder will be determined in accordance with the following:

- (a) The maximum aggregate value of cash (including any cash paid in lieu of fractions of Brascan Non-Cumulative Class A Preference Shares, Series 11 and of Brascan Shares referred to below and including the \$0.05 in cash per Trilon Share paid along with Brascan Non-Cumulative Class A Preference Shares, Series 11) that Brascan will pay as consideration for the Trilon Shares acquired under the Offer shall be \$388 million (the "Maximum Cash Consideration").
- (b) The maximum number of Brascan Shares that Brascan will issue as consideration for the Trilon Shares acquired under the Offer shall be 11.4 million Brascan Shares (the "Maximum Share Consideration").
- (c) If Shareholders in the aggregate elect or are deemed to have elected to receive cash only consideration which, together with any cash to be paid in lieu of fractions of Brascan Shares or of Brascan Non-Cumulative Class A Preference Shares, Series 11 and together with the \$0.05 in cash per Trilon Share to be paid along with Brascan Non-Cumulative Class A Preference Shares, Series 11, exceeds an aggregate value equal to the Maximum Cash Consideration multiplied by a fraction, the numerator of which is the number of Trilon Shares to be taken up and the denominator of which is the number of issued and outstanding

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Trilon Shares (other than those held by Brascan and its affiliates) (the "Maximum Take-Up Date Cash Consideration"), the amount of cash consideration available to those Shareholders who have elected or are deemed to have elected cash only consideration will be allocated pro rata (on a per share basis) among such Shareholders in an amount equal to the aggregate amount of the cash sought (or deemed to be sought) by such Shareholders multiplied by a fraction, the numerator of which is the Maximum Take-Up Date Cash Consideration, less any cash to be paid in lieu of fractions of Brascan Shares or of Brascan Non-Cumulative Class A Preference Shares, Series 11 and less the \$0.05 in cash per Trilon Share to be paid along with Brascan Non-Cumulative Class A Preference Shares, Series 11, and the denominator of which is the aggregate amount of the cash consideration sought (or deemed to be sought) by such Shareholders and the balance of their consideration will be paid in Brascan Shares (provided that Brascan may, at the time of electing to take up and pay for Trilon Shares, determine to modify this allocation mechanism applicable to the Shareholders who have elected to receive cash to provide for additional cash consideration to be distributed at such time to take into account Brascan's intention with respect to extensions of the Offer). For greater certainty, cash to be paid for

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fractional shares and the \$0.05 in cash to be paid along with the Brascan Non-Cumulative Class A Preference Shares, Series 11 will not be subject to pro ration.

- (d) If Shareholders in the aggregate elect to receive or are deemed to have elected to receive Brascan Shares in a number which exceeds an amount equal to the Maximum Share Consideration multiplied by a fraction the numerator of which is the number of Trilon Shares to be taken-up and the denominator of which is the number of issued and outstanding Trilon Shares (other than those held by Brascan and its affiliates) (the "Maximum Take-Up Date Share Consideration"), the number of Brascan Shares available to those Shareholders will be allocated pro rata (on a per share basis) among such Shareholders in an amount equal to the number of Brascan Shares sought (or deemed to have been sought) by such Shareholders multiplied by a fraction, the numerator of which is the Maximum Take-Up Date Share Consideration and the denominator of which is the number of Brascan Shares sought (or deemed to have been sought) by such Shareholders, rounded down to the nearest whole number, and the balance of their consideration will be paid in cash, provided that Shareholders who are required to take cash may elect instead to receive the preference share consideration described above (including \$0.05 in cash per Trilon Share unless the Shareholder has also elected to forego this cash consideration) (provided that Brascan may, at the time of electing to take up and pay for Trilon Shares, determine to modify this allocation mechanism applicable to the Shareholders who have elected or are deemed to have elected to receive Brascan Shares to provide for additional Brascan Shares to be issued at such time to take into account Brascan's intention with respect to extensions of the Offer). Shareholders who have not made an election between cash and Brascan Non-Cumulative Class A Preference Shares, Series 11 will be deemed to have elected to receive cash.

No fractional Brascan Non-Cumulative Class A Preference Shares, Series 11 or Brascan Shares will be issued pursuant to the Offer. In lieu of fractional Brascan Non-Cumulative Class A Preference Shares, Series 11 or fractional Brascan Shares, a Shareholder accepting the Offer who would otherwise receive a fraction of a Brascan Non-Cumulative Class A Preference Share, Series 11 or

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of a Brascan Share will receive a cash payment determined on the basis of \$25.00 for each whole Brascan Non-Cumulative Class A Preference Share, Series 11 and \$34.00 for each whole Brascan Share. The \$25.00 represents the issue price of the Brascan Non-Cumulative Class A Preference Shares, Series 11. The \$34.00 amount approximates the closing sale price of the Brascan Shares on the TSE on March 25, 2002, the last date on which the Brascan Shares traded prior to the first announcement of the Offer, which was \$34.05 per Brascan Share.

The accompanying Circular, which is incorporated into and forms part of the Offer, contains important information which should be read carefully before making a decision with respect to the Offer.

2. Time for Acceptance

This Offer is open for acceptance during the period commencing on the date hereof and ending at 11:59 p.m. (local time) on May 16, 2002, or until such later time and date to which this Offer may be extended, unless the Offer is withdrawn by Brascan.

3. How to Tender Trilon Shares to the Offer

Letter of Transmittal

The Offer may be accepted by delivering to CIBC Mellon Trust Company (the "Depositary") at any of its offices listed in the Letter of Transmittal (printed on green paper) accompanying this Offer, so as to arrive there not later than the Expiry Time:

- (a) certificate(s) representing the Trilon Shares in respect of which this Offer is being accepted;
- (b) a Letter of Transmittal (printed on green paper) in the form accompanying this Offer or a manually executed facsimile thereof, properly completed and executed as required by the rules and instructions set out in the Letter of Transmittal; and
- (c) any other relevant documents required by the rules and instructions set out in the Letter of Transmittal.

Brascan reserves the right to permit the Offer to be accepted in a manner other than as set forth herein.

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Except as otherwise provided in the instructions and rules set out in the Letter of Transmittal, the signature on the Letter of Transmittal must be guaranteed by an Eligible Institution. If a Letter of Transmittal is executed by a person other than the registered holder of the certificate(s) deposited therewith, the certificate(s) must be endorsed, or be accompanied by an appropriate share transfer power of attorney duly and properly completed by the registered holder, with the signature on the endorsement panel or share transfer power guaranteed by an Eligible Institution.

Procedure for Guaranteed Delivery

If a person wishes to deposit Trilon Shares pursuant to this Offer and (i) the certificates representing the Trilon Shares are not immediately available, or (ii) the certificate(s) and all other required documents cannot be delivered to the Depositary at or prior to the Expiry Time, those Trilon Shares may nevertheless be deposited validly under the Offer, provided that

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all of the following conditions are met:

- (a) the deposit is made by or through an Eligible Institution;
- (b) a properly completed and duly executed Notice of Guaranteed Delivery (printed on blue paper) in the form accompanying the Offer, or a facsimile thereof, together with a guarantee by an Eligible Institution in the form specified in the Notice of Guaranteed Delivery, is received by the Depository at its office in Toronto as set forth in the accompanying Notice of Guaranteed Delivery, during the Deposit Period; and
- (c) the certificate(s) representing deposited Trilon Shares, in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal or a manually executed facsimile thereof, and any other documents required by the Letter of Transmittal, are received at the office of the Depository in Toronto on or before 5:00 p.m. (local time) on the third trading day on The Toronto Stock Exchange after the expiry of the Deposit Period. To constitute delivery for the purpose of satisfying a guaranteed delivery, the Letter of Transmittal and accompanying share certificate(s) must be delivered to the same office of the Depository in Toronto where the Notice of Guaranteed Delivery was delivered.

The Notice of Guaranteed Delivery may be delivered by hand or transmitted by facsimile transmission or mailed to the Depository at its Toronto office and must include a guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery. An election in a Notice of Guaranteed Delivery as to the form of consideration to be received by a Shareholder will supersede any election made by that Shareholder in a Letter of Transmittal. If no election as to the form of consideration to be received is made on the Notice of Guaranteed Delivery, the Shareholder shall be deemed to have elected to receive \$17.00 in cash for each Trilon Share.

General

In all cases, payment for Trilon Shares deposited and taken up by Brascan will be made only after timely receipt by the Depository of the certificate(s) representing the Trilon Shares, a properly completed and duly executed Letter of Transmittal, or a manually signed facsimile thereof, properly completed and signed, covering such Trilon Shares with the signature(s) guaranteed in accordance with the instructions set out in the Letter of Transmittal and any other required documents.

The method of delivery of certificate(s) representing Trilon Shares, the Letter of Transmittal and all other required documents is at the option and risk of the person depositing those documents. Brascan recommends that those documents be delivered by hand to the Depository and a receipt obtained or, if mailed, that registered mail, with return receipt requested, be used and that proper insurance be obtained.

Shareholders whose Trilon Shares are registered in the name of an investment dealer, stockbroker, bank, trust company or other nominee should contact such nominee if they wish to accept the Offer.

The execution of a Letter of Transmittal irrevocably appoints certain senior officers of Brascan and any other person designated by Brascan in writing, as the true and lawful agents, attorneys and attorneys-in-fact, and proxies of the holder of the Trilon Shares covered by the Letter of Transmittal with respect to Trilon Shares registered in the name of the Shareholder on the securities register maintained by or on behalf of Trilon and deposited pursuant to the Offer and purchased by Brascan (the "Purchased

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Trilon Shares"), and with respect to any and all dividends, distributions, payments, securities, rights, warrants, assets or other interests (collectively "distributions") which may be declared, paid, accrued, issued, distributed, made or transferred on or in respect of the Purchased Trilon Shares or

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any of them on or after the date of the Offer, full power of substitution (such powers of attorney, being coupled with an interest, being irrevocable), in the name of and on behalf of such Shareholder: (a) to register or record the transfer or cancellation of Purchased Trilon Shares and distributions consisting of securities on the appropriate registers maintained by or on behalf of Trilon; (b) for so long as any such Purchased Trilon Shares are registered or recorded in the name of such Shareholders (whether or not such Purchased Trilon Shares are so registered or recorded as at the time of the completion of the Letter of Transmittal), to execute and deliver (provided the same is not contrary to applicable law), as and when requested by Brascan, any instruments of proxy, authorisation or consent in form and on terms satisfactory to Brascan in respect of any Purchased Trilon Shares and distributions, and to designate in any such instruments of proxy any person or persons as the proxyholder of such Shareholder in respect of such Purchased Trilon Shares and distributions; (c) except as provided in section 11 of the Offer, to execute and negotiate any cheques or other instruments representing such distributions payable to or to the order of, or endorsed in favour of, the Shareholder; and (d) to exercise any rights of a holder of Purchased Trilon Shares and any distribution with respect to such Purchased Trilon Shares, all as specified in the Letter of Transmittal.

The acceptance of the Offer pursuant to the procedures set forth above will constitute an agreement between the depositing Shareholder and Brascan in accordance with the terms and conditions of the Offer.

All questions as to the validity, form, eligibility (including timely receipt) and acceptance of any Trilon Shares deposited pursuant to the Offer will be determined by Brascan in its sole discretion. Depositing Shareholders agree that such determination shall be final and binding. Brascan reserves the absolute right to reject any and all deposits which it determines not to be in proper form or which may be unlawful to accept under the laws of any jurisdiction. Brascan reserves the absolute right to waive any defects or irregularities in the deposit of any Trilon Shares. There shall be no obligation on Brascan, the Depositary or any other person to give notice of any defects or irregularities in any deposit and no liability shall be incurred by any of them for failure to give any such notice. Brascan's interpretation of the terms and conditions of the Offer, the Circular, the Letter of Transmittal and Notice of Guaranteed Delivery will be final and binding.

Brascan reserves the right to permit the Offer to be accepted in a manner other than that set out above.

4. Conditions of the Offer

Brascan shall have the right to withdraw the Offer and not take up and pay for, or extend the period of time during which the Offer is open and postpone taking up and paying for, any Trilon Shares deposited under the Offer, unless all of the following conditions are satisfied or waived by Brascan at or prior to the Expiry Time:

- (a) Brascan shall, on the completion of the Offer, own at least 66 2/3% of the outstanding Class A Shares (calculated on a fully-diluted basis);

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- (b) there shall have been deposited under the Offer and not withdrawn that number of Class A Shares representing more than 50% of the total number of Class A Shares of Trilon outstanding (calculated on a fully-diluted basis), other than Trilon Shares owned by Brascan, its associates or affiliates or by persons whose Trilon Shares may not be included as part of the minority approval of a Subsequent Acquisition Transaction (the "Minimum Condition");
- (c) all domestic or foreign governmental, administrative or regulatory approvals, consents, authorizations, exemptions, waivers or declarations (including in respect of the issuance of the Brascan Non-Cumulative Class A Preference Shares, Series 11 and the Brascan Shares) which Brascan considers necessary or desirable in connection with the making of the Offer, the take-up of and payment for Trilon Shares under the Offer or completing a Subsequent Acquisition Transaction shall have been obtained or waived on terms satisfactory to Brascan in its sole judgment;
- (d) Brascan shall have determined in its sole judgment that (i) no act, action, suit or proceeding shall have been threatened, commenced or taken before or by any domestic or foreign arbitrator, court, tribunal, governmental agency, regulatory authority, administrative agency, commission or stock exchange, in Canada, the United States or elsewhere, and (ii) no law, regulation, rule, policy, directive or order shall have been proposed, enacted, issued, promulgated, amended or applied, in the case of each of (i) or (ii):
 - (i) to cease trade, enjoin, prohibit, challenge or impose limitations or conditions on the purchase by Brascan of the Trilon Shares or the right of Brascan to own or exercise full rights of ownership of the Trilon Shares or the ability of Brascan to complete a Subsequent Acquisition Transaction; or
 - (ii) which, if Trilon Shares are taken-up and paid for under the Offer, could in Brascan's sole judgment adversely affect Trilon or Brascan or any of their respective subsidiaries or the ability of Brascan to complete a Subsequent Acquisition Transaction;
- (e) there shall not exist any prohibition at law against Brascan taking-up and paying for the Trilon Shares under the Offer or completing a Subsequent Acquisition Transaction;
- (f) there shall not have occurred or arisen (or, if there shall have previously occurred or arisen, there shall not have been publicly disclosed or disclosed to Brascan) any Material Adverse Change;
- (g) Brascan shall have determined in its sole judgment that no material property, asset, agreement, right, franchise or license of Trilon or any of its subsidiaries has been or would be impaired or adversely affected as a result of the making of the Offer, the taking-up and paying for Trilon Shares deposited under the Offer, the completion of a Subsequent Acquisition Transaction or otherwise, which might make it inadvisable for Brascan to proceed with the Offer or with taking-up and paying for Trilon Shares deposited under the Offer;
- (h) Brascan shall have determined in its sole judgment that there does not exist any covenant, term or condition in any of the instruments or agreements to which Trilon or any of its subsidiaries is a party or to

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which they or any of their properties or assets are subject that might make it inadvisable for Brascan to proceed with the Offer or with taking-up and paying for Trilon Shares under the Offer or completing a Subsequent Acquisition Transaction (including but not limited to any covenant, term or condition that may be breached or cause a default or permit third parties to exercise rights against Trilon or any of its subsidiaries);

- (i) Brascan shall have determined in its sole judgment that neither Trilon nor any of its subsidiaries has taken any action (including entering into any agreement or making any commitment), or disclosed any previously undisclosed action, that might make it inadvisable for Brascan to proceed with the Offer or with taking-up and paying for Trilon Shares under the Offer or completing a Subsequent Acquisition Transaction;
- (j) there shall not have occurred any tax change (including any proposal to amend the Tax Act or any announcement, governmental or regulatory initiative, issue of an interpretation bulletin, condition, event or development involving a prospective change) that, in the sole judgment of Brascan, has or may have an adverse effect on Trilon, Brascan or any of their respective subsidiaries, on any Subsequent Acquisition Transaction or on a subsequent sale or disposition of assets of Trilon or any of its subsidiaries;
- (k) there shall not have occurred, developed or come into effect or existence any event, action, state, condition or occurrence of national or international consequence which, in Brascan's sole judgment, has materially and adversely affected, or may materially and adversely affect, the financial markets in Canada or the United States; and
- (l) all outstanding options, rights and warrants, if any, to acquire Trilon Shares shall have been exercised or cancelled or exchanged for or converted into options to acquire Brascan Shares on or prior to the expiry of the Offer on terms satisfactory to Brascan.

The foregoing conditions are for the exclusive benefit of Brascan and may be asserted by Brascan at any time, regardless of the circumstances giving rise to such assertion, including any action or inaction by Brascan. Brascan may waive any of the foregoing conditions, including without limitation the Minimum Condition, in whole or in part at any time and from time to time, without prejudice to any other rights which Brascan may have. The failure by Brascan at any time to exercise any of the foregoing rights will not be deemed a waiver of any such right and each such right will be deemed an ongoing right which may be asserted at any time and from time to time. Any determination by Brascan concerning the events described in the foregoing conditions will be final and binding upon all parties.

Any waiver of a condition or the withdrawal of the Offer will be effective upon written notice or other communication confirmed in writing by Brascan to that effect to the Depositary at its principal office in Toronto. Brascan, forthwith after giving any such notice, will make a public announcement of such waiver or withdrawal, will cause the Depositary as soon as practicable thereafter to notify the Shareholders in the manner set forth in section 10 of the Offer, "Notice and Delivery", and will provide a copy of the aforementioned notice to the TSE. If the Offer is

withdrawn, Brascan will not be obligated to take up or pay for any Trilon Shares deposited under the Offer and the Depositary will promptly return all

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certificates representing deposited Trilon Shares, Letters of Transmittal, Notices of Guaranteed Delivery and related documents to the parties by whom they were deposited at Brascan's expense.

5. Extension and Variation of the Offer

The Offer is open for acceptance until, but not after, the Expiry Time.

Brascan reserves the right, in its sole discretion, at any time and from time to time while the Offer is open for acceptance, to extend the Deposit Period or to vary the Offer by giving written notice of such extension or variation to the Depositary at its principal office in Toronto, and by causing the Depositary to provide as soon as practicable thereafter a copy of such notice in the manner set forth in section 10 of this Offer to all holders of Trilon Shares that have not been taken up prior to the extension or variation. Brascan shall, as soon as possible after giving notice of an extension or variation to the Depositary, make a public announcement of the extension or variation and provide a copy of the notice thereof to the TSE. Any notice of extension or variation will be deemed to have been given and to be effective on the day on which it is delivered or otherwise communicated in writing to the Depositary at its principal office in Toronto.

Where the terms of the Offer are varied, the Offer will not expire before 10 days after the notice of such variation has been delivered to Shareholders, unless otherwise permitted by applicable law and subject to abridgement or elimination of that period pursuant to such orders as may be granted by applicable securities regulatory authorities.

If before the Expiry Time, or after the Expiry Time but before the expiry of all rights of withdrawal with respect to the Offer, a change occurs in the information contained in the Offer or the Circular, as amended from time to time, that would reasonably be expected to affect a decision of a Shareholder to accept or reject the Offer (other than a change that is not within the control of Brascan or of an affiliate of Brascan), Brascan will give written notice of such change to the Depositary at its principal office in Toronto, and will cause the Depositary to provide as soon as practicable thereafter a copy of such notice in the manner set forth in section 10 of the Offer, to all holders of Trilon Shares that have not been taken up under the Offer at the date of the occurrence of the change. As soon as possible after giving notice of a change in information to the Depositary, Brascan will make a public announcement of the change in information and provide a copy of the notice thereof to the TSE. Any notice of change in information will be deemed to have been given and to be effective on the day on which it is delivered or otherwise communicated to the Depositary at its principal office in Toronto.

Notwithstanding the foregoing, the Offer may not be extended by Brascan if all of the terms and conditions of the Offer, except those waived by Brascan, have been fulfilled or complied with unless Brascan first takes up and pays for all Trilon Shares deposited under the Offer and not withdrawn.

During any such extension or in the event of any variation or change in information, all Trilon Shares previously deposited and not taken up or withdrawn will remain subject to the Offer and may be accepted for purchase by Brascan in accordance with the terms hereof, subject to section 8 of this Offer, "Withdrawal of Deposited Trilon Shares". An extension of the Expiry Time or a variation of the Offer does not constitute a waiver by Brascan of its rights under section 4 hereof. An extension of the Deposit Period, a variation of the Offer or a change in information does not constitute a waiver by Brascan of its rights under section 4 of the Offer, "Conditions of the Offer". In the unlikely event that the consideration being offered for the Trilon Shares under the Offer is increased, the increased consideration will be paid to all depositing Shareholders whose Trilon Shares are taken up under

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the Offer.

6. Payment for Deposited Trilon Shares

If all the conditions referred to under "Conditions of the Offer" have been fulfilled or waived at the Expiry Time, Brascan will become obligated to take up and pay for Trilon Shares validly deposited under the Offer and not withdrawn, not later than 10 days from the Expiry Time. Brascan will be obligated to pay for Trilon Shares taken up as soon as possible, but in any event not more than the lesser of three business days after taking up the Trilon Shares and 10 days after the Expiry Time.

In addition, from May 17, 2002, if all of the terms and conditions attached to the Offer have been fulfilled or waived, Brascan shall be entitled to take up and pay for all Trilon Shares deposited under the Offer, subject to

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applicable laws. Any Trilon Shares deposited pursuant to the Offer after the first date on which Trilon Shares have been taken up and paid for by Brascan will be taken up and paid for within 10 days of such deposit.

For the purposes of the Offer, Brascan will be deemed to have taken up and accepted for payment Trilon Shares validly deposited and not withdrawn pursuant to the Offer if, as and when Brascan gives oral (subject to confirmation in writing) or written notice to the Depositary to that effect.

Brascan expressly reserves the right in its sole discretion to delay taking up and paying for any Trilon Shares or to terminate the Offer and not take up or pay for any Trilon Shares if any condition specified in section 4 of the Offer, "Conditions of the Offer", is not satisfied or waived, by giving written notice thereof or other communication confirmed in writing to the Depositary at its principal office in Toronto. Brascan also expressly reserves the right, in its sole discretion and notwithstanding any other condition of the Offer, to delay taking up and paying for Trilon Shares in order to comply, in whole or in part, with any applicable law.

Brascan will pay for Trilon Shares validly deposited pursuant to the Offer and not withdrawn by providing the Depositary with sufficient funds (by bank transfer or other means satisfactory to the Depositary) for transmittal to depositing Shareholders and by providing the Depositary with sufficient share certificates for the Brascan Shares and the Brascan Non-Cumulative Class A Preference Shares, Series 11 for transmittal to depositing Shareholders. Under no circumstances will interest accrue or be paid by Brascan or the Depositary to persons depositing Shares on the purchase price of Trilon Shares purchased by Brascan, regardless of any delay in making such payment. Notwithstanding this section, the delivery of share certificates representing the Brascan Non-Cumulative Class A Preference Shares, Series 11 may be delayed, as set out in section 1 of the Offer.

The Depositary will act as the agent of persons who have deposited Trilon Shares in acceptance of the Offer for the purposes of receiving payment from Brascan and transmitting payment to such persons, and receipt of payment by the Depositary will be deemed to constitute receipt of payment by persons depositing Trilon Shares.

Settlement with each Shareholder who has deposited Trilon Shares under the Offer will be made by the Depositary forwarding a cheque, payable in Canadian funds, representing the cash and/or forwarding a share certificate representing the Brascan Non-Cumulative Class A Preference Shares, Series 11 and/or the Brascan Shares to which the depositing Shareholder is entitled, as

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the case may be. Subject to the foregoing and unless otherwise directed by the Letter of Transmittal, cheques and share certificates will be issued in the name of the registered holder of the Trilon Shares so deposited. Unless the person depositing the Trilon Shares instructs the Depositary to hold the cheque and/or share certificates for pick-up by checking the appropriate box in the Letter of Transmittal, such cheque and/or share certificates will be forwarded by first class insured mail to such person at the address specified in the Letter of Transmittal. If no such address is specified, the cheque and/or share certificates will be sent to the address of the holder as shown on the register of Shareholders maintained by or on behalf of Trilon. Cheques and/or share certificates mailed in accordance with this paragraph will be deemed to be delivered at the time of mailing.

Depositing Shareholders will not be obligated to pay brokerage fees or commissions if they accept the Offer by depositing their Trilon Shares directly with the Depositary.

7. Return of Trilon Shares

Any deposited Trilon Shares that are not taken up by Brascan will be returned, at the expense of Brascan, to the depositing Shareholder as soon as practicable after the Expiry Time or withdrawal or early termination of the Offer, by sending certificates representing Trilon Shares not purchased by first class mail to the address of the depositing Shareholder specified in the Letter of Transmittal or, if such name and address is not so specified, in such name and to such address as shown on the share register of Trilon.

8. Withdrawal of Deposited Trilon Shares

Except as otherwise stated in this section 8, all deposits of Trilon Shares pursuant to the Offer are irrevocable. Unless otherwise required or permitted by applicable law, any Trilon Shares deposited in acceptance of the Offer may be withdrawn by or on behalf of the depositing Shareholder:

- (a) at any time up to and including 11:59 p.m. (local time) on May 16, 2002;

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- (b) at any time where the Trilon Shares have not been taken up and paid for by Brascan prior to the receipt by the Depositary of the notice of withdrawal in respect of such Trilon Shares; or
- (c) if the Trilon Shares have not been paid for by Brascan within three business days after having been taken up; or
- (d) at any time before the expiration of 10 days from the date upon which either:
 - (i) a notice of change relating to a change which has occurred in the information contained in the Offer or the Circular, as amended from time to time, that would reasonably be expected to affect the decision of a Shareholder to accept or reject the Offer (other than a change that is not within the control of Brascan or of an affiliate of Brascan), in the event that such change occurs before the end of the Deposit Period or after the end of the Deposit Period but before the expiry of all rights of withdrawal in respect of the Offer; or
 - (ii) a notice of variation concerning a variation in the terms of the

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Offer (other than a variation consisting solely of an increase in the consideration offered for the Trilon Shares where the Deposit Period is not extended for more than 10 days),

is mailed, delivered, or otherwise properly communicated, but subject to abridgement of that period pursuant to such order or orders as may be granted by applicable courts or securities regulatory authorities and only if such deposited Trilon Shares have not been taken up by Brascan at the date of the notice.

Withdrawals of Trilon Shares deposited pursuant to the Offer must be effected by notice of withdrawal made by or on behalf of the depositing Shareholder and must be actually received by the Depositary at the place of deposit before such Trilon Shares are taken up and paid for. Notice of withdrawal (i) must be made by a method, including facsimile transmission, that provides the Depositary with a written or printed copy, (ii) must be signed by or on behalf of the person who signed the Letter of Transmittal accompanying, or the Notice of Guaranteed Delivery in respect of, the Trilon Shares which are to be withdrawn, and (iii) must specify such person's name, the number of Trilon Shares to be withdrawn, the name of the registered holder and the certificate number shown on each certificate representing the Trilon Shares to be withdrawn. Any signature in a notice of withdrawal must be guaranteed by an Eligible Institution in the same manner as in a Letter of Transmittal (as described in the instructions and rules set out in such letter), except in the case of Trilon Shares deposited for the account of an Eligible Institution. The withdrawal will take effect upon receipt by the Depositary of the properly completed notice of withdrawal. None of the Depositary, Brascan or any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal or will incur any liability for failure to give such notification.

All questions as to the validity (including timely receipt) and form of notices of withdrawal will be determined by Brascan in its sole discretion, and such determination will be final and binding.

If Brascan is delayed in taking up or paying for Trilon Shares or is unable to take up or pay for Trilon Shares for any reason, then, without prejudice to Brascan's other rights, Trilon Shares deposited under the Offer may be retained by the Depositary on behalf of Brascan and such Trilon Shares may not be withdrawn except to the extent that depositing Shareholders are entitled to withdrawal rights as set forth in this section 8 or pursuant to applicable law.

Any Trilon Shares withdrawn will be deemed not validly deposited for the purposes of the Offer, but may be re-deposited at any subsequent time prior to the end of the Deposit Period by following any of the procedures described in section 3 of the Offer, "How to Tender Trilon Shares to the Offer".

In addition to the foregoing rights of withdrawal, Shareholders in certain provinces of Canada are entitled to statutory rights of rescission or to damages, or both, in certain circumstances. See section 28 of the Circular, "Statutory Rights".

9. Market Purchases

Subject to applicable law, Brascan reserves the right to and may purchase Trilon Shares in the market at any time and from time to time prior to the Expiry Time. If Brascan purchases Trilon Shares other than pursuant to the Offer while the Offer is outstanding, it will do so through the facilities of The Toronto Stock Exchange and such purchases will not be made before the third business day following the date of the Offer. The aggregate number of Trilon Shares acquired in this manner will not exceed 5% of the number of

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outstanding Trilon Shares as of the date of this Offer and

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Brascan will issue and file a press release forthwith after the close of business of The Toronto Stock Exchange on each day on which such Trilon Shares have been purchased. Any Trilon Shares so purchased shall be counted in determining whether the condition as to the number of Trilon Shares deposited to the Offer has been fulfilled.

If Brascan purchases any Trilon Shares on The Toronto Stock Exchange while the Offer is outstanding for a price in excess of that offered pursuant to the Offer, Brascan will pay such higher amount to each person whose Trilon Shares are taken up and paid for under the Offer, whether or not such Trilon Shares have already been taken up, and will immediately so notify the holders of Trilon Shares. For purposes of this section 9, "Brascan" includes Brascan and any person or company acting jointly or in concert with Brascan.

Although Brascan has no present intention to sell Trilon Shares taken up under the Offer, it reserves the right to make or enter into arrangements, commitments or understandings at or prior to the Expiry Time to sell Trilon Shares after the Expiry Time.

10. Notice and Delivery

Any notice to be given by Brascan or the Depositary pursuant to the Offer will be deemed to have been properly given if it is mailed by first class mail, postage prepaid, to the registered holders of Trilon Shares at their addresses as shown on the register maintained by or on behalf of Trilon and will be deemed to have been received on the first business day following the date of mailing. For this purpose, "business day" means any day other than a Saturday, Sunday or federal or Ontario statutory holiday in the jurisdiction to which the notice is mailed. These provisions apply notwithstanding any accidental omission to give notice to any one or more holders of Trilon Shares and notwithstanding any interruption of mail services in Canada following mailing. In the event of any interruption of mail service following mailing, Brascan intends to make reasonable efforts to disseminate the notice by other means, such as publication. Except as otherwise required or permitted by law, if post offices in Canada are not open for the deposit of mail, any notice which Brascan or the Depositary may give or cause to be given under the Offer will be deemed to have been properly given and to have been received by holders of Trilon Shares if it is given to The Toronto Stock Exchange for dissemination and if it is published (i) once in the National Edition of The Globe and Mail, and (ii) once, if possible, in daily newspapers of general circulation in each of the French and English languages in the City of Montreal, provided that if the National Edition of The Globe and Mail is not being generally circulated, publication thereof shall be made in The National Post.

The Offer will be mailed to registered Shareholders or made in such other manner as is permitted by applicable regulatory authorities and will be furnished by Brascan to brokers, investment dealers, banks and similar person whose names, or the names of whose nominees, appear in the register maintained by or on behalf of Trilon in respect of the Trilon Shares or, if security position listings are available, who are listed as participants in a clearing agency's security position listing, for subsequent transmittal to the beneficial owners of Trilon Shares.

Wherever the Offer calls for documents to be delivered to the Depositary, such documents will not be considered delivered unless and until they have been physically received at one of the addresses listed for the Depositary on

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the Letter of Transmittal. Wherever the Offer calls for documents to be delivered to a particular office of the Depository, such documents will not be considered delivered unless and until they have been physically received at the particular office at the address indicated on the Letter of Transmittal or Notice of Guaranteed Delivery, as applicable.

11.Dividends and Distributions

If, on or after the date of this Offer, Trilon should split, combine or otherwise change any of the Trilon Shares or its capitalization, or shall disclose that it has taken any such action, then Brascan may, in its sole discretion, make such adjustments as it considers appropriate to the purchase price and other terms of this Offer (including, without limitation, the type of securities offered to be purchased and the amounts payable therefor) to reflect such split, combination or other change.

Trilon Shares acquired pursuant to the Offer shall be transferred to Brascan free and clear of all liens, charges, encumbrances, claims and equities, together with all rights and benefits arising therefrom including the right to all dividends, distributions, payments, securities, rights, assets or other interests which may be declared, paid, issued, distributed, made or transferred on or after the date hereof on or in respect of the Trilon Shares. If, on or after April 11, 2002, Trilon should declare or pay any dividend or declare, make or pay any other distribution or payment on or

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declare, allot, reserve or issue any securities, rights or other interests with respect to the Trilon Shares, payable or distributable to holders of Trilon Shares of record on a date prior to the transfer to the name of Brascan or its nominees or transferees on Trilon's transfer registers of Trilon Shares accepted for payment pursuant to this Offer, then (i) in the case of cash dividends, distributions or payments, the amount of the dividends, distributions or payments shall be received and held by the depositing holders of Trilon Shares for the account of Brascan until Brascan pays for such Trilon Shares, and to the extent that such dividends, distributions or payments do not exceed the purchase price per Trilon Share payable by Brascan pursuant to this Offer, the purchase price per Trilon Share payable by Brascan pursuant to the Offer will be reduced by the amount of any such dividend, distribution or payment, and (ii) in the case of non-cash dividends, distributions, payments, rights or other interests, the whole of any such non-cash dividend, distribution, payment, right or other interest, and in the case of any cash dividends, distributions or payments in an amount that exceeds the purchase price per Trilon Share, the whole of any such cash dividend, distribution or payment, will be received and held by the depositing holder of Trilon Shares for the account of Brascan and shall be required to be promptly remitted and transferred by the depositing holder of Trilon Shares to the Depository for the account of Brascan, accompanied by appropriate documentation of transfer. Pending such remittance, Brascan will be entitled to all rights and privileges as owner of any such dividend, distribution, payment, right or other interest and may withhold the entire purchase price payable by Brascan pursuant to the Offer or deduct from the purchase price payable by Brascan pursuant to the Offer the amount or value thereof, as determined by Brascan in its sole discretion.

Brascan understands that, in light of the Offer, the board of directors of Trilon intends to declare a partial dividend of \$0.10 per Trilon Share at its board meeting in April 2002 (to be paid by Trilon at a later date) in lieu of the regular quarterly dividend of \$0.16 per Trilon Share that would customarily be payable to Shareholders of record in June 2002, which date is expected to be after the Deposit Period. Brascan understands that the record

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date for this partial dividend will be during the Deposit Period and is intended to provide dividend continuity to Shareholders to the extent they receive Brascan securities for their Trilon Shares under the Offer. Accordingly, notwithstanding the foregoing paragraph, Brascan will not reduce the purchase price for Trilon Shares under the Offer to the extent that Shareholders receive Brascan Shares or Brascan Non-Cumulative Class A Preference Shares, Series 11 for their Trilon Shares under the Offer (including any cash to be paid in lieu of fractions of Brascan Shares or of Brascan Non-Cumulative Class A Preference Shares, Series 11 and including the \$0.05 per Trilon Share to be paid along with Brascan Non-Cumulative Class A Preference Shares, Series 11).

12. Other Terms of the Offer

- (a) The Offer and all contracts resulting from acceptance hereof shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. Each party to any agreement resulting from the acceptance of the Offer unconditionally and irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Ontario.
- (b) No broker, dealer or other person has been authorized to give any information or make any representation on behalf of Brascan not contained herein or in the accompanying Circular, and, if given or made, such information or representation must not be relied upon as having been authorized.
- (c) Brascan, in its sole discretion, shall be entitled to make a final and binding determination of all questions relating to the interpretation of the Offer, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery, the validity of any acceptance of the Offer and the validity of any withdrawals of Trilon Shares.
- (d) No Offer is being made to, and no deposits will be accepted from or on behalf of, Shareholders residing in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. Brascan may, in its sole discretion, take such action as it may deem necessary to make the Offer in any jurisdiction and extend the Offer to Shareholders in any such jurisdiction.

13. Mail Service Interruption

Notwithstanding the provisions of the Offer, the Circular, the Letter of Transmittal or the Notice of Guaranteed Delivery, cheques and/or share certificates in payment for Trilon Shares purchased pursuant to the Offer, certificates for any Trilon Shares to be returned and other relevant documents will not be mailed if Brascan determines that delivery thereof by mail may be delayed. Persons entitled to cheques, certificates and other relevant documents which are not mailed for the foregoing reason may take delivery thereof at the office of the Depository to which the deposited certificates for Trilon Shares were delivered until such time as Brascan has determined that delivery by mail will no

longer be delayed. Brascan shall provide notice of any such determination not to mail made under this section as soon as reasonably practicable after the making of such determination and in accordance with section 10, "Notice and Delivery". The deposit of cheques and/or share certificates with the Depository in such circumstances shall constitute delivery to the persons

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entitled thereto and the Trilon Shares shall be deemed to have been paid for immediately upon such deposit.

14.General

The provisions of the Glossary, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery accompanying the Offer, including the instructions and rules contained therein, as applicable, form part of the terms and conditions of the Offer.

The accompanying Circular, together with the documents forming part of the Offer, constitutes the take-over bid circular required under Canadian provincial securities legislation with respect to the Offer.

BRASCAN CORPORATION

(Signed) J. Bruce Flatt
President and Chief Executive
Officer

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CIRCULAR

The following information is supplied with respect to the accompanying Offer by Brascan to purchase the Trilon Shares. Terms defined in the Offer and not otherwise defined herein have the same meaning in this Circular. The terms and conditions of the Offer are incorporated in and form part of this Circular. Shareholders should refer to the Offer for details of the terms and conditions of the offer to purchase Trilon Shares, including details as to payment and withdrawal rights.

The information concerning Trilon contained in the Offer and this Circular has been taken from or based upon publicly available documents and records on file with Canadian securities administrators and other public sources. Although Brascan has no knowledge that would indicate that any statements contained herein taken from or based on such documents and records are untrue or incomplete, Brascan does not assume any responsibility for the accuracy or completeness of the information contained in such documents and records, or for any failure by Trilon to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to Brascan.

1.Brascan Corporation

Brascan owns, manages and builds businesses which generate sustainable cash flows. Current operations are largely in the real estate, financial and power generating sectors. In addition, Brascan holds investments in the resource sector.

Brascan's goal is to build long-term shareholder value by investing in high quality assets at attractive values, by actively working to increase returns on capital invested in these assets, and by continuously pursuing new opportunities for future growth.

Recent Developments

The following is a summary of significant recent developments affecting Brascan since January 1, 2001.

On April 2, 2002, Brascan announced its intention to issue \$125 million of

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8.30% preferred securities due June 30, 2051, subject to the underwriters' option to purchase an additional \$75 million of preferred securities.

On March 12, 2002, Brascan sold a 50% interest in the approximately one million square foot Exchange Tower office property in downtown Toronto for \$155 million or \$85 million net after non-recourse indebtedness on the property.

On March 8, 2002, Brascan announced an agreement to acquire four hydroelectric generating stations in northern Ontario with a combined generating capacity of 488 megawatts from Ontario Power Generation Inc. for \$340 million. Brascan expects this acquisition to close in early May 2002.

On February 1, 2002, Brascan acquired six hydroelectric generating stations with a combined generating capacity of 126 megawatts and related transmission facilities in northern Maine for cash consideration of US\$156.5 million.

During 2001, Brascan increased its ownership of Nexfor Inc. from 33% to 41%.

On December 20, 2001, Brascan issued \$125 million of 8.35% preferred securities due December 31, 2050.

On December 12, 2001, Brascan issued US\$300 million of 8.125% senior notes due December 15, 2008 in the United States.

On November 1, 2001, an aggregate of 6,950,208 Class A Preference Shares, Series 8 of Brascan were converted into an equivalent number of Class A Preference Shares, Series 9 on a one-for-one basis.

On September 17, 2001, Brascan issued 10,000,000 Class A Preference Shares, Series 10, for gross offering proceeds of \$250 million.

In August 2001, Brascan received rating upgrades for its long-term debt to "A (low)" from "BBB (high)" from Dominion Bond Rating Service Limited ("DBRS") and to "A-" from "BBB" from Standard & Poor's Rating Service ("S&P"). Also in August 2001, Brascan's preferred share ratings were increased to "pfd-2(low)" and "P-2" by DBRS and S&P, respectively.

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In April 2001, Brascan received approval for a normal course issuer bid to acquire up to 8,652,276 Brascan Shares, which runs until April 2002. Brascan intends to file for a renewal of its normal course issuer bid at that time.

In February 2001, Brascan increased its ownership of Great Lakes Power Inc. from 93% to 100%.

In January 2001, Brascan's ownership of Trilon Financial Corporation was increased from 65% to 71% as a result of Trilon's repurchasing 14.5 million of its own Class A Shares. In February 2002, Brascan's interest in Trilon was diluted to 70% as a result of the exercise of outstanding share purchase warrants of Trilon which expired on February 28, 2002.

Except as described above, there have been no material changes in the share and loan capital of Brascan on a consolidated basis since December 31, 2000.

Share Capital

The authorized share capital of Brascan consists of an unlimited number of Class A Limited Voting Shares ("Brascan Shares"); up to 85,120 Class B Limited

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Voting Shares ("Class B Shares"); an unlimited number of Class A Preference Shares, issuable in series; and an unlimited number of Class AA Preference Shares, issuable in series. As at April 11, 2002, the following shares of Brascan were issued and outstanding: 166,369,595 Brascan Shares (net of 111,846,461 Brascan Shares held internally by subsidiaries of Brascan); 85,120 Class B Shares; 19,091 Class A Preference Shares, Series 1; 10,465,100 Class A Preference Shares, Series 2; 2,000 Class A Preference Shares, Series 3; 4,000,000 Class A Preference Shares, Series 4; 2,600,000 Class A Preference Shares, Series 5; 4,000,000 Class A Preference Shares, Series 7; 1,049,792 Class A Preference Shares, Series 8; 6,950,208 Class A Preference Shares, Series 9; and 10,000,000 Class A Preference Shares, Series 10. For a description of the Brascan Non-Cumulative Class A Preference Shares, Series 11, see section 2, "Description of Brascan Non-Cumulative Class A Preference Shares, Series 11".

Brascan Shares have the following rights, privileges, restrictions and conditions:

Ranking. The Brascan Shares rank on a parity with the Class B Shares and rank after the Class A Preference Shares and the Class AA Preference Shares with respect to the payment of dividends and the return of capital on the liquidation, dissolution or winding-up of Brascan. After payment to the holders of the Class A Preference Shares, Class AA Preference Shares and any other shares ranking as to dividends prior to the Brascan Shares and the Class B Shares of the amount or amounts to which they may be entitled, the holders of the Brascan Shares and the Class B Shares are entitled to receive any dividend declared by the board of directors of Brascan and to receive the remaining property of Brascan upon dissolution.

Voting. Other than as provided below, each holder of Brascan Shares is entitled to notice of and to attend all meetings of shareholders of Brascan (except meetings at which only holders of another specified class or series of shares are entitled to vote) and are entitled to cast at any such meeting one vote per share. Subject to applicable law and in addition to any other required shareholder approvals, all matters to be approved by shareholders (other than the election of directors) must be approved by (i) a majority or, in the case of matters that require approval by a special resolution of shareholders, at least 66 2/3% of the votes cast by holders of Brascan Shares who vote in respect of the resolution or special resolution, as the case may be, and (ii) a majority or, in the case of matters that require approval by a special resolution of shareholders of Brascan, at least 66 2/3% of the votes cast by holders of Class B Shares who vote in respect of the resolution or special resolution, as the case may be.

Election of Directors. In the election of directors of Brascan, holders of Brascan Shares are entitled to elect one-half of the board of directors of Brascan, provided that if holders of Class A Preference Shares, Series 1, Series 2 and Series 3 become entitled to elect two or three directors, as the case may be, the number of directors to be elected by holders of Brascan Shares shall be reduced by the number of directors to be elected by holders of Class A Preference Shares, Series 1, Series 2 and Series 3. The holders of Class B Shares of Brascan are entitled to elect the other one-half of the board of directors of Brascan.

Each holder of Brascan Shares has the right to cast a number of votes in the election of directors of Brascan equal to the number of votes attached to the Brascan Shares held by the holder multiplied by the number of directors to be elected by the holders of Brascan Shares. A holder may cast all such votes in favour of one candidate or distribute such votes among its candidates in any manner the holder sees fit. If a holder has voted for more than one candidate without specifying the distribution of votes among such candidates, the holder will be deemed to have divided the holder's votes equally among the

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candidates for whom the holder voted.

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Principal Shareholders

To Brascan's knowledge, the only persons or corporations which beneficially own, directly or indirectly, or exercise control or direction over voting securities of Brascan carrying more than 10% of the votes attached to any class of outstanding voting securities of Brascan are EdperPartners Limited ("EdperPartners") and its shareholders, who collectively hold, directly and indirectly, or have options to acquire, approximately 27.1 million Brascan Shares representing approximately 15% of the Brascan Shares on a fully diluted basis, and 85,120 Class B Shares, representing all of the Class B Shares of Brascan. Jack L. Cockwell, J. Bruce Flatt, Lynda C. Hamilton, Robert J. Harding, David W. Kerr and Allen T. Lambert, who are directors of Brascan, and Harry A. Goldgut, Edward C. Kress, Brian D. Lawson, Richard J. Legault and John C. Tremayne, who are officers of Brascan, are shareholders of EdperPartners.

EdperPartners is a party to an amended and restated Trust Agreement with Montreal Trust Company of Canada (as trustee for the holders of Brascan Shares) dated August 1, 1997. The Trust Agreement provides, among other things, that EdperPartners has agreed not to sell any Class B Shares, directly or indirectly, pursuant to a take-over bid, unless a concurrent bid is made to all holders of Brascan Shares. The concurrent offer must be (i) for the same percentage of Brascan Shares as the percentage of Class B Shares offered to be purchased from EdperPartners, and (ii) the same in all material respects as the offer for the Class B Shares. Among other things, the Trust Agreement permits (i) a sale by EdperPartners of Class B Shares at a price per share less than 115% of the market price of Brascan Shares and as part of a transaction involving not more than five persons in the aggregate, and (ii) a direct or indirect sale of shares of EdperPartners to a purchaser who is or will become a shareholder of EdperPartners and will not hold more than 20% of EdperPartners' outstanding shares as a result of the transaction.

Price Range and Trading Volumes for the Brascan Shares

The Brascan Shares trade on the TSE, the Brussels Exchange and, since December 20, 2000, on the NYSE. There is currently no market for the Brascan Non-Cumulative Class A Preference Shares, Series 11. Brascan has received conditional listing approval from The Toronto Stock Exchange for the additional Brascan Shares and the Brascan Non-Cumulative Class A Preference Shares, Series 11 to be issued under the Offer. Brascan has also applied to list the additional Brascan Shares on the NYSE and the Brussels Stock Exchange.

The Toronto Stock Exchange

The combined volume of trading and price ranges of the Brascan Shares on the TSE are set forth in the following table for the periods indicated.

Price per share			
High	Low	Average (/1/)	Volume

2002

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April (to April 5).....	\$34.95	\$34.00	\$34.22	2,349,591
March (1 to 25).....	35.35	33.95	33.04	7,286,276
March (26 to 31).....	34.25	31.15	34.26	3,814,131
March.....	35.35	31.15	33.46	11,100,407
February.....	31.95	27.95	29.95	4,846,399
January.....	29.95	28.06	28.99	12,110,716
2001				

December.....	29.55	25.75	27.37	6,940,649
November.....	28.38	23.40	25.90	7,819,809
October.....	26.90	23.50	25.79	6,733,331
September.....	28.71	22.10	26.06	8,496,176
August.....	29.04	27.05	28.21	10,064,193
July.....	27.80	25.30	26.91	8,511,114
June.....	26.75	24.80	25.89	6,706,470
May.....	27.45	23.80	25.61	7,139,714
April.....	26.20	23.65	25.48	9,269,463
March.....	26.30	25.00	25.59	8,313,781

Note:

(1) Volume weighted average of trading prices.

Brascan announced its intention to make an offer to purchase the Trilon Shares on March 26, 2002. The closing price of the Brascan Shares on the TSE on March 25, 2002, the last day on which the Trilon Shares traded prior to the announcement, was \$34.05.

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The New York Stock Exchange

The combined volume of trading and price ranges of the Brascan Shares on the NYSE are set forth in the following table for the periods indicated.

	Price per share			Volume
	High	Low	Average (/1/)	
2002				

April (to April 5).....	US\$21.90	US\$21.35	US\$21.58	162,200
March (1 to 25).....	22.17	21.31	20.81	371,700
March (26 to 31).....	21.59	19.56	21.69	95,700
March.....	22.17	19.56	21.08	467,400
February.....	19.90	17.60	18.84	420,600
January.....	18.74	17.21	19.18	730,700
2001				

December.....	18.29	16.28	17.64	597,600
November.....	17.48	14.49	16.27	759,600
October.....	16.75	14.70	16.27	799,100
September.....	17.86	14.64	16.61	686,000
August.....	18.29	17.29	18.20	975,600
July.....	17.55	15.98	17.59	917,700
June.....	16.71	15.75	16.88	495,300
May.....	17.32	14.83	16.97	739,700
April.....	16.01	14.78	16.32	227,600

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March.....	16.02	14.97	16.46	281,700
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Note:

(1) Volume weighted average of trading prices.

Brascan announced its intention to make an offer to purchase the Trilon Shares on March 26, 2002. The closing price of the Brascan Shares on the NYSE on March 25, 2002, the last day on which the Trilon Shares traded prior to the announcement, was US\$21.50.

Earnings Coverage Ratios

The earnings coverage ratios below include pro forma information giving effect to the consolidation of the results of Brookfield Properties Corporation ("Brookfield") since January 1, 2000. Prior to December 31, 2001, Brookfield was accounted for using the equity method of accounting. The consolidation of Brookfield had no effect on net income or income per share.

The ratios have been calculated after giving effect to the assumed issuance of \$10 million of Class A Preference Shares, Series 11 pursuant to the Offer and \$125 million in principal amount of 8.30% preferred securities due June 30, 2051 pursuant to an offering announced by Brascan on April 2, 2002 (see "Brascan Corporation - Recent Developments").

Brascan's dividend requirements on all of its preference shares, after giving effect to the issuance of the above mentioned securities and adjusted to a before tax equivalent using an effective tax rate of 28%, amounted to \$69 million for each of the years ended December 31, 2001 and December 31, 2000. Brascan's interest requirements for the year ended December 31, 2001 and December 31, 2000 amounted to \$266 million and \$280 million (pro forma basis - \$724 million and \$667 million), respectively. Brascan's earnings before interest and income tax for the year ended December 31, 2001 and December 31, 2000 were \$570 million and \$1,088 million (pro forma basis -\$1,157 million and \$1,597 million), respectively, which are 1.7 and 3.1 times (pro forma basis - 1.5 and 2.2 times) Brascan's aggregate preference share dividend and interest requirements for the respective periods.

Brascan's earnings from continuing operations before interest and income tax for the year ended December 31, 2001 and December 31, 2000 were \$570 million and \$683 million (pro forma basis - \$1,157 million and \$1,192 million), respectively, which are 1.7 and 2.0 times (pro forma basis - 1.5 and 1.6 times) Brascan's aggregate preference share dividend and interest requirements for the respective periods.

Interest on Brascan's convertible notes for the years ended December 31, 2001 and December 31, 2000 were \$5 million and \$6 million, respectively, the inclusion of which has a negligible effect on the ratios.

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Auditors, Transfer Agent and Registrar

The auditors of Brascan are Deloitte & Touche LLP, Chartered Accountants, Suite 1400, BCE Place, 181 Bay Street, Toronto, Ontario M5J 2V1. The transfer agent and registrar for the Brascan Shares is CIBC Mellon Trust Company of Canada, P.O. Box 7010, Adelaide Street Postal Station, Toronto, Ontario M5C 2W9.

2. Description of Brascan Non-Cumulative Class A Preference Shares, Series 11

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Certain Provisions of the Class A Preference Shares of Brascan as a Class

The following is a summary of certain provisions attaching to or affecting the Class A Preference Shares of Brascan as a class.

Series

The Class A Preference Shares of Brascan may be issued from time to time in one or more series. The board of directors of Brascan will fix the number of shares in each series and the provisions attached to each series before issue.

Priority

The Class A Preference Shares of Brascan rank senior to the Class AA Preference Shares of Brascan, the Brascan Shares, the Class B Limited Voting Shares of Brascan and other shares ranking junior to the Class A Preference Shares with respect to priority in the payment of dividends and in the distribution of assets in the event of the liquidation, dissolution or winding-up of Brascan, whether voluntary or involuntary, or in the event of any other distribution of assets of Brascan among its shareholders for the purpose of winding up its affairs. Each series of Class A Preference Shares ranks on a parity with every other series of Class A Preference Shares with respect to priority in the payment of dividends and in the distribution of assets in the event of the liquidation, dissolution or winding-up of Brascan, whether voluntary or involuntary, or in the event of any other distribution of assets of Brascan among its shareholders for the purpose of winding up its affairs.

Shareholder Approvals

Brascan shall not delete or vary any preference, right, condition, restriction, limitation or prohibition attaching to the Class A Preference Shares as a class or create preference shares ranking in priority to or on parity with the Class A Preference Shares except by special resolution passed by at least 66 2/3% of the votes cast at a meeting of the holders of the Class A Preference Shares duly called for that purpose, in accordance with the provisions of the articles of Brascan.

Each holder of Class A Preference Shares of Brascan entitled to vote at a class meeting of holders of Class A Preference Shares, or at a joint meeting of the holders of two or more series of Class A Preference Shares, has one vote in respect of each \$25.00 of the issue price of each Class A Preference Share held by such holder.

Certain Provisions of the Brascan Non-Cumulative Class A Preference Shares, Series 11 as a Series

The following is a summary of certain provisions attaching to or affecting the Brascan Non-Cumulative Class A Preference Shares, Series 11 as a series. No Brascan Non-Cumulative Class A Preference Shares, Series 11 will be issued unless Shareholders elect in the aggregate to receive at least the Minimum Series 11 Amount in issue price of these shares when tendering to the Offer.

Issue Price

The Brascan Non-Cumulative Class A Preference Shares, Series 11 will have an issue price of \$25.00 per share.

Dividends

The holders of the Brascan Non-Cumulative Class A Preference Shares, Series 11 will be entitled to receive fixed non-cumulative preferential cash

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dividends, if, as and when declared by the board of directors of Brascan, in an amount per share per annum equal to \$1.375 (representing a coupon rate of 5.5%), accruing daily from the date of issue (expected to be the date Brascan pays for Trilon Shares taken up under the Offer), payable quarterly on the last day of March, June, September and December in each year. The first such dividend will be payable on the later of: (a) the

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date of a certificate of amendment under the OBCA in respect of articles of amendment creating the Brascan Non-Cumulative Class A Preference Shares, Series 11, and (b) September 30, 2002 and will be pro-rated to the number of days between the earliest date of payment under the Offer and the date of payment for the first dividend.

Redemption

The Brascan Non-Cumulative Class A Preference Shares, Series 11 are not redeemable before June 30, 2009. On or after this date, but subject to applicable law and to the provisions described under "Certain Provisions of the Brascan Non-Cumulative Class A Preference Shares, Series 11 as a Series - Restrictions on Dividends and Retirement and Issue of Shares", Brascan may, at its option, at any time redeem all, or from time to time any part, of the outstanding Brascan Non-Cumulative Class A Preference Shares, Series 11, by the payment of an amount in cash for each such share so redeemed of \$25.75 if redeemed before June 30, 2010, of \$25.50 if redeemed on or after June 30, 2010 but before June 30, 2011, of \$25.25 if redeemed on or after June 30, 2011, but before June 30, 2012, and of \$25.00 thereafter plus, in each case, all declared and unpaid dividends up to but excluding the date fixed for redemption.

Notice of any redemption will be given by Brascan not less than 30 days and not more than 60 days prior to the date fixed for redemption. If less than all the outstanding Brascan Non-Cumulative Class A Preference Shares, Series 11 are at any time to be redeemed, the shares to be redeemed will be selected in such manner as Brascan may determine.

Conversion at the Option of Brascan

The Brascan Non-Cumulative Class A Preference Shares, Series 11 will not be convertible at the option of Brascan prior to June 30, 2009. On or after this date, Brascan may, subject to applicable law and any requirement to obtain regulatory relief, convert all, or from time to time any part, of the outstanding Brascan Non-Cumulative Class A Preference Shares, Series 11 into that number of Brascan Shares determined (per Brascan Non-Cumulative Class A Preference Share, Series 11) by dividing the then applicable redemption price, together with all declared and unpaid dividends up to but excluding the date fixed for conversion, by the greater of \$2.00 or 95% of the then Current Brascan Market Price. Fractional Brascan Shares will not be issued on any conversion of Brascan Non-Cumulative Class A Preference Shares, Series 11, but in lieu thereof Brascan will make cash payments.

Notice of any conversion will be given by Brascan not less than 30 days and not more than 60 days prior to the date fixed for conversion. If less than all the outstanding Brascan Non-Cumulative Class A Preference Shares, Series 11 are at any time to be converted, the shares to be converted will be selected in such manner as Brascan may determine.

Upon exercise by Brascan of its right to convert Brascan Non-Cumulative Class A Preference Shares, Series 11 into Brascan Shares, Brascan reserves the right not to issue Brascan Shares to any person whose address is in, or whom

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Brascan or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada, to the extent that such issue would require compliance by Brascan with the securities or other laws of such jurisdiction.

Conversion at the Option of the Holder

Subject to applicable law and the rights of Brascan described below, on and after December 31, 2013, each Brascan Non-Cumulative Class A Preference Share, Series 11 will be convertible at the option of the holder on the last day of each of March, June, September and December in each year on at least 30 days notice (which notice shall be irrevocable) into that number of Brascan Shares determined by dividing \$25.00, together with all declared and unpaid dividends up to but excluding the date fixed for conversion, by the greater of \$2.00 or 95% of the then Current Brascan Market Price. Fractional Brascan Shares will not be issued on any conversion of Brascan Non-Cumulative Class A Preference Shares, Series 11, but in lieu thereof Brascan will make cash payments.

Upon exercise of the conversion privilege by the holder of Brascan Non-Cumulative Class A Preference Shares, Series 11, Brascan reserves the right not to issue Brascan Shares to any person whose address is in, or whom Brascan or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada, to the extent that such issue would require compliance by Brascan with the securities or other laws of such jurisdiction.

Brascan, subject to the provisions described under "Certain Provisions of the Brascan Non-Cumulative Class A Preference Shares, Series 11 as a Series - Restrictions on Dividends and Retirement and Issue of Shares", as applicable, may by notice given not later than 20 days before the date fixed for conversion to all holders who have

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given a conversion notice, either (i) redeem on the first business day after the date fixed for conversion all or any part of the Brascan Non-Cumulative Class A Preference Shares, Series 11 forming the subject matter of the applicable conversion notice, or (ii) cause the holder of such Brascan Non-Cumulative Class A Preference Shares, Series 11 to sell on the first business day after the date fixed for conversion all or any part of such Brascan Non-Cumulative Class A Preference Shares, Series 11 to another purchaser or purchasers in the event that a purchaser or purchasers willing to purchase all or any part of such Brascan Non-Cumulative Class A Preference Shares, Series 11 is or are found. Any such redemption or purchase shall be made by the payment of an amount in cash of \$25.00 per share, together with all declared and unpaid dividends up to but excluding the date fixed for redemption or purchase. The Brascan Non-Cumulative Class A Preference Shares, Series 11 to be so redeemed or purchased shall not be converted on the date set forth in the conversion notice.

If Brascan elects to redeem or arrange for the purchase of any Brascan Non-Cumulative Class A Preference Shares, Series 11 that are the subject of a conversion notice ("Subject Shares"), Brascan shall, at least 20 days prior to the conversion date, give notice to all holders who have given a conversion notice to Brascan, stating:

- (a) the number of Subject Shares to be redeemed by Brascan;
- (b) the number of Subject Shares to be sold to another purchaser; and
- (c) the number of Subject Shares to be converted into Brascan Shares,

such that all of the Subject Shares will be redeemed, purchased or converted

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on the first business day after the date fixed for conversion and that the proportion of the Subject Shares which are either redeemed, purchased or converted on that conversion date shall, to the extent practicable, be the same for each holder delivering a conversion notice.

Purchase for Cancellation

Subject to applicable law and to the provisions described under "Certain Provisions of the Brascan Non-Cumulative Class A Preference Shares, Series 11 as a Series - Restrictions on Dividends and Retirement and Issue of Shares" below, Brascan may at any time purchase (if obtainable) for cancellation the whole or any part of the Brascan Non-Cumulative Class A Preference Shares, Series 11 at the lowest price or prices at which in the opinion of the board of directors of Brascan such shares are obtainable.

Rights on Liquidation

In the event of the liquidation, dissolution or winding-up of Brascan or any other distribution of assets of Brascan among its shareholders for the purpose of winding-up its affairs, the holders of the Brascan Non-Cumulative Class A Preference Shares, Series 11 will be entitled to receive \$25.00 per share, together with all declared and unpaid dividends up to but excluding the date fixed for payment, before any amount is paid or any assets of Brascan are distributed to the holders of any shares ranking junior as to capital to the Brascan Non-Cumulative Class A Preference Shares, Series 11. The holders of the Brascan Non-Cumulative Class A Preference Shares, Series 11 will not be entitled to share in any further distribution of the assets of Brascan.

Restrictions on Dividends and Retirement and Issue of Shares

So long as any of the Brascan Non-Cumulative Class A Preference Shares, Series 11 are outstanding, Brascan will not, without the approval of the holders of the Brascan Non-Cumulative Class A Preference Shares, Series 11:

- (a) declare, pay or set apart for payment any dividends (other than stock dividends payable in shares of Brascan ranking as to capital and dividends junior to the Brascan Non-Cumulative Class A Preference Shares, Series 11) on shares of Brascan ranking as to dividends junior to the Brascan Non-Cumulative Class A Preference Shares, Series 11;
- (b) except out of the net cash proceeds of a substantially concurrent issue of shares ranking as to return of capital and dividends junior to the Brascan Non-Cumulative Class A Preference Shares, Series 11, redeem or call for redemption, purchase or otherwise pay off or retire any shares of Brascan ranking as to capital junior to the Brascan Non-Cumulative Class A Preference Shares, Series 11;
- (c) redeem or call for redemption, purchase or otherwise retire for value less than all of the Brascan Non-Cumulative Class A Preference Shares, Series 11 then outstanding;

- (d) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching thereto, redeem or call for redemption, purchase or otherwise pay off or retire any Class A Preference Shares, ranking as to the payment of dividends or return of capital on a parity with the Brascan Non-Cumulative Class A Preference Shares, Series 11; or

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- (e) issue any additional Brascan Non-Cumulative Class A Preference Shares, Series 11 or any shares ranking as to dividends or return of capital prior to or on a parity with the Brascan Non-Cumulative Class A Preference Shares, Series 11, except for an issue of Brascan Non-Cumulative Class A Preference Shares, Series 11 pursuant to the Offer, any Compulsory Acquisition or any Subsequent Acquisition Transaction,

unless, in each such case, all declared and unpaid dividends up to and including the dividend payable for the last completed period for which dividends were payable on the Brascan Non-Cumulative Class A Preference Shares, Series 11 and on all other shares of Brascan ranking prior to or on a parity with the Brascan Non-Cumulative Class A Preference Shares, Series 11 with respect to the payment of dividends have been declared paid or set apart for payment.

Shareholder Approvals

The approval of all amendments to the rights, privileges, restrictions and conditions attaching to the Brascan Non-Cumulative Class A Preference Shares, Series 11 as a series and any other approval to be given by the holders of the Brascan Non-Cumulative Class A Preference Shares, Series 11 may be given by a resolution carried by an affirmative vote of at least 66 2/3% of the votes cast at a meeting at which the holders of a majority of the outstanding Brascan Non-Cumulative Class A Preference Shares, Series 11 are present or represented by proxy or, if no quorum is present at such meeting, at an adjourned meeting at which the holders of Brascan Non-Cumulative Class A Preference Shares, Series 11 then present would form the necessary quorum. At any meeting of holders of Brascan Non-Cumulative Class A Preference Shares, Series 11 as a series, each such holder shall be entitled to one vote in respect of each Class A Preference Share, Series 11 held.

Voting Rights

The holders of the Brascan Non-Cumulative Class A Preference Shares, Series 11 will not (except as otherwise provided by law and except for meetings of the holders of Class A Preference Shares as a class and meetings of the holders of Brascan Non-Cumulative Class A Preference Shares, Series 11 as a series) be entitled to receive notice of, attend, or vote at, any meeting of shareholders of Brascan unless and until Brascan shall have failed to pay eight quarterly dividends on the Brascan Non-Cumulative Class A Preference Shares, Series 11, whether or not consecutive and whether or not such dividends have been declared and whether or not there are any monies of Brascan properly applicable to the payment of dividends. In that event, until such time as Brascan pays the whole amount of a quarterly dividend, the holders of the Brascan Non-Cumulative Class A Preference Shares, Series 11 will be entitled to receive notice of and to attend each meeting of Brascan's shareholders other than any meetings at which only holders of another specified class or series are entitled to vote, and to one vote for each Class A Preference Share, Series 11 held, provided that in respect of the election of directors, the holders of Brascan Non-Cumulative Class A Preference Shares, Series 11 will vote with holders of Brascan Shares and, in certain circumstances, with the holders of certain other series of the Class A Preference Shares in the election of one-half of the board of directors (less the number of directors which the holders of the Class A Preference Shares, Series 1, Class A Preference Shares, Series 2 and Class A Preference Shares, Series 3 may be entitled to elect). The voting rights of the holders of the Brascan Non-Cumulative Class A Preference Shares, Series 11 shall forthwith cease upon payment by Brascan of the whole amount of a quarterly dividend on the Brascan Non-Cumulative Class A Preference Shares, Series 11 subsequent to the time such voting rights first arose.

Brascan's articles provide that each holder of shares entitled to vote in

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an election of directors has the right to cast a number of votes equal to the number of votes attached to the shares held by the holder of shares multiplied by the number of directors to be elected. The holder of shares may cast all such votes in favour of one candidate or distribute them among the candidates in any manner the holder of shares sees fit. Where the holder of shares has voted for more than one candidate without specifying the distribution of votes among such candidates, the holder of shares shall be deemed to have divided his votes equally among the candidates for whom the holder of shares voted.

Subject to applicable law and in addition to any other required shareholder approvals, Brascan's articles also require that all matters to be approved by shareholders (other than the election of directors) must be approved separately by the holders of the Brascan Shares and by the holders of the Brascan Class B Limited Voting Shares.

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Tax on Dividends

Brascan will elect, in the manner and within the time provided under Part VI.1 of the Tax Act, to pay or cause payment of the tax under Part VI.1 at a rate such that the corporate holders of Brascan Non-Cumulative Class A Preference Shares, Series 11 will not be required to pay tax under Part IV.1 of the Tax Act on dividends received on such shares.

3.OPSEU Strike

As a result of a strike by the Ontario Public Service Employees Union ("OPSEU"), the provision of government services in Ontario has been disrupted, including the processing of amendments to the articles of corporations incorporated in Ontario, including Brascan and Trilon. In order to create the Brascan Non-Cumulative Class A Preference Shares, Series 11, Brascan must file and receive a certificate of amendment in respect of articles of amendment creating the Brascan Non-Cumulative Class A Preference Shares, Series 11. As a result of the strike, Brascan has no assurances that it will be able to create the Brascan Non-Cumulative Class A Preference Shares, Series 11 prior to taking up and paying for the Trilon Shares tendered to the Offer. However, upon conclusion of the strike and the resumption of normal government services, Brascan anticipates being able to create the Brascan Non-Cumulative Class A Preference Shares, Series 11, with effect on a date prior to taking up and paying for the Trilon Shares.

In the event that Brascan is unable to secure a certificate of amendment under the OBCA in respect of articles of amendment creating the Brascan Non-Cumulative Class A Preference Shares, Series 11 as a result of the strike by Ontario government employees prior to taking up and paying for Trilon Shares under the Offer, a Shareholder who elects to receive Brascan Non-Cumulative Class A Redeemable Preference Shares, Series 11 will be entitled to receive those preference shares as at the date upon which Brascan pays for Trilon Shares tendered by that Shareholder. However, notwithstanding the foregoing and sections 6 and 10 of the Offer, share certificates representing Brascan Non-Cumulative Class A Preference Shares, Series 11 will not be delivered to Shareholders until such time as Brascan receives a certificate of amendment under the OBCA in respect of articles of amendment creating the Brascan Non-Cumulative Class A Preference Shares, Series 11. Brascan will seek to secure this certificate immediately upon the strike ending. The TSE has conditionally approved for listing the Brascan Shares and the Brascan Non-Cumulative Class A Preference Shares, Series 11 issuable in connection with the Offer. The TSE will post these securities for trading when all conditions imposed by the TSE have been met, including in respect of the listing of the Brascan Non-Cumulative Class A Preference Shares, Series 11 when they are fully

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transferable. The transferability of the Brascan Non-Cumulative Class A Preference Shares, Series 11 may be adversely affected until such time as Brascan receives the certificate of amendment described above.

4. Trilon Financial Corporation

Trilon was continued under the laws of Ontario by Certificate and Articles of Continuance dated February 8, 1994. The articles of Trilon were subsequently amended to change the number of its directors.

Trilon is a financial services company that provides asset management and merchant banking services. Trilon's clients include governments, institutions, corporations and high net-worth individuals. Trilon also provides select business services and is active in the capital markets. Trilon focuses its activities on industry sectors that require substantial amounts of capital. These sectors include real estate, natural resources, energy and financial services.

Trilon's operations are grouped under four core businesses: merchant banking, business services, capital markets and asset management. The merchant banking group provides merchant banking loans and makes merchant banking investments and a majority of these comprise acquisition bridge loans made to small and medium sized companies to facilitate their growth initiatives. The business services group provides residential home-related services to corporations and institutions. These fee-based services include relocations, move management, home appraisals and transaction closing services. Trilon's capital markets group provides financial advisory, property brokerage and securities underwriting services. Property brokerage is provided through Trilon's Royal LePage division, a leading broker in Canada in both the commercial and residential markets. Trilon also invests its own capital in higher-yielding fixed income and equity securities. Trilon's asset management group, directly and indirectly through Trilon's associates, manages assets for institutional and other investors. Included among the assets managed are the assets within the Tricap Restructuring Fund, launched in late 2001, and the assets in the Trilon Opportunity Fund, which invests in new and emerging technologies.

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Recent Developments

In December 2001, Trilon completed the first closing, and in March 2002 the second closing, of the Tricap Restructuring Fund. The Fund has over \$415 million committed to make equity and debt investments in under-performing companies which require financial and/or operational restructuring. Trilon has committed \$200 million to the Fund.

Share Capital

Trilon's authorized capital consists of:

- . an unlimited number of Class I Preferred Shares, issuable in series, the first series of which consists of 6,000,000 Floating Rate Class I Preferred Shares Series A;
- . an unlimited number of Class II Preferred Shares, issuable in series, the first series of which consists of 3,500,000 Class II Cumulative Redeemable Convertible Preferred Shares Series One, the second series of which consists of 1,000,000 Class II Preferred Shares Series Two, the third series of which consists of 4,000,000 Class II Preferred Shares Series Three and the fourth series of which consists of 4,000,000

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Class II Preferred Shares Series Four;

- . an unlimited number of preferred shares designated as Class III Preferred Shares Series One, the second series of which consists of 1,330,200 Class III Preferred Shares Series Two and the third series of which consists of 4,000,000 Class III Preferred Shares Series Three; and
- . an unlimited number of Class A Shares of Trilon and an unlimited number of Class B Non-Voting Shares of Trilon.

At April 11, 2002, the following shares were issued and outstanding: 6,000,000 Class I Preferred Shares Series A, 665,000 Class II Preferred Shares Series Two, 3,999,000 Class II Preferred Shares Series Three, 4,000,000 Class II Preferred Shares Series Four, 5,000,000 Class III Preferred Shares Series One, 482,888 Class III Preferred Shares Series Two, 103,745,836 Class A Shares and 47,917,647 Class B Non-Voting Shares.

Trilon Shares have the following rights, privileges, restrictions and conditions:

Conversion. The Class B Non-Voting Shares are convertible on a one-for-one basis into Class A Shares, up to that number of Class B Shares equal to the lesser of: (a) all the Class B Shares held, and (b) that number of Class B Shares which, on exercise of the conversion right, would result in that holder, together with holders of Class A Shares which are its affiliates, holding that number of Class A Shares that is one Class A Share less than 50% of the outstanding Class A Shares.

Dividends. Subject to the prior rights of the holders of Class I, II and III Preferred Shares and any other senior ranking shares outstanding from time to time, holders of Class B Non-Voting Shares have a right to receive fixed, preferential, non-cumulative quarterly cash dividends of \$0.03 per share. If in any quarter, after providing for the full quarterly dividend on the Class B Non-Voting Shares, any moneys of Trilon properly available for the payment of dividends remain, all or any part of those moneys may be applied to dividends on the Class A Shares, provided that if in that quarter dividends aggregating \$0.03 per share have been paid or declared and set aside for payment on Class A Shares, any and all further dividends declared in that quarter shall be declared and paid in equal or equivalent amounts per share on all Class A Shares and all Class B Shares then outstanding without preference or priority.

Ranking. Subject to the prior rights of holders of Class I Preferred Shares, Class II Preferred Shares and Class III Preferred Shares and any other shares of Trilon ranking senior to the Trilon Shares, all Trilon Shares share equally in the property and assets of Trilon in the event of the liquidation, dissolution or winding-up of Trilon or any other distribution of the assets of Trilon.

Voting. Holders of Class A Shares are entitled to vote at all meetings of shareholders of Trilon, other than meetings at which holders of only a specified class or series may vote. Holders of Class B Non-Voting Shares have no right to vote generally.

5. Background to the Offer

Brascan has owned a significant interest in Trilon since Trilon was established as a public company in 1982. In January 2001, when Trilon repurchased 14.5 million of its Class A Shares pursuant to a substantial issuer bid, Brascan's controlling interest in Trilon increased from 65% to 71% of the Trilon Shares (subsequently decreased to 70% as a result of the exercise of outstanding share purchase warrants of Trilon). As of April 11, 2002, Brascan holds

58,214,553 Class A Shares of Trilon, representing approximately 56% of the number of Class A Shares outstanding. Brascan also holds 47,897,344 Class B Non-Voting Shares of Trilon, each of which is convertible one-for-one into Class A Shares of Trilon.

Management and the boards of directors of both Brascan and Trilon have discussed the potential combination of the two companies on numerous occasions over the past several years, given that the companies' business plans and activities are highly complementary to each other.

Brascan has recently stated that its business strategy includes, among other objectives, acquiring 100% ownership of certain of its operating businesses. In August 2001, preliminary discussions took place between Brascan and Trilon regarding a potential transaction between the two companies. These discussions ended in October 2001, as it was determined at the time that a transaction was unlikely to proceed in the short term, largely as a result of the impact on the financial markets of the events of September 11, 2001. In March 2002, senior executives of Brascan approached senior executives of Trilon to re-engage discussions concerning a merger transaction. These discussions were concluded on March 25, 2002, at which point the proposed transaction was submitted to the boards of directors of each of Trilon and Brascan for their consideration and the board of directors of Brascan authorized management of Brascan to proceed with its plans to conclude a merger between Trilon and Brascan.

On March 26, 2002, Brascan announced by press release its intention to acquire all of the Trilon Shares not already held by Brascan.

The Independent Committee

Effective August 22, 2001, the board of directors of Trilon (the "Trilon Board") appointed a special committee of directors (the "Independent Committee") who are independent of Brascan and Management for the purposes of exploring the possibility of engaging in a merger transaction with Brascan. William A. Dimma, A. Gordon Craig, Susan E. Crocker, Patrick J. Keenan, Donald C. Lowe and David R. McCamus were each appointed to the Independent Committee. The Independent Committee appointed William A. Dimma as its Chair.

Independent Legal and Financial Advisors

At the time of its formation, the Independent Committee engaged Osler, Hoskin & Harcourt LLP as its legal counsel to assist the Independent Committee in discharging its responsibilities and to provide the Independent Committee with advice concerning its duties and the conduct of its meetings.

On September 6, 2001, the Independent Committee engaged TD Securities to serve as financial adv