

Brascade Corporation

Stock symbol: **BCA.PR.A** - TSX

NEWS RELEASE

BRASCADE CORPORATION ANNOUNCES COMPLETION OF AMALGAMATION

TORONTO, January 4, 2007 – Brascade Corporation (“Brascade”) today announced the completion of its previously announced amalgamation with Diversified Canadian Financial II Corp. (“DCF II”) and Diversified Canadian Holdings Inc. (“DCHI”), effective January 1, 2007. The new company has been amalgamated as an Ontario corporation under the name Brascade Corporation.

In conjunction with this amalgamation, 522,486 Class 1 senior preferred shares, Series B of Brascade Corporation (the “Brascade Series B Senior Preferred Shares”) (**BCA.PR.B**) and 3,865,812 Class A preference shares of DCF II (the “DCF II Senior Preferred Shares”) (**DCC.PR.A**) were redeemed for cash at the rate of C\$40.00 and C\$25.00 per share, respectively, representing a total redemption payment of C\$117.6 million. A further 3,581,677 Brascade Series B Senior Preferred Shares held by DCF II and DCHI were cancelled on the Amalgamation.

Holdings of 1,160,375 Brascade Series B Senior Preferred Shares and 4,134,188 DCF II Senior Preferred Shares elected to exchange their shares for Class 1 senior preference shares, Series A of the amalgamated corporation (the “Brascade Series A Senior Preferred Shares”) at the conversion rate of 1.6 and 1.0 per share, respectively. As a result, a total of 5,990,785 Brascade Series A Senior Preferred Shares were issued on amalgamation.

The Brascade Series A Senior Preferred Shares commenced trading on the Toronto Stock Exchange at the start of business on January 4, 2007, under the stock symbol **BCA.PR.A**. The CUSIP number for this new issue is 10549T 301.

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Brascade Corporation holds investments in the forest products and property sectors, as well as a portfolio of preferred shares issued by companies within the Brookfield Asset Management group. The common shares of Brascade are wholly owned by Brookfield Asset Management, an asset management company focussed on property, power and infrastructure assets.

Questions regarding the amalgamation should be directed to Alan Dean or Sachin Shah at 416-363-9491.