



Office
REIT

SLATE

Investor Update
Q2 2017

CAUTIONARY STATEMENTS

Forward-Looking Statements

This presentation contains forward-looking information within the meaning of applicable securities laws. These statements include, but are not limited to, statements concerning the REIT's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Readers should not place undue reliance on any such forward-looking statements. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the REIT to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained herein. Such forward-looking statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, the continued availability of mortgage financing and current interest rates; the extent of competition for properties; assumptions about the markets in which the REIT and its subsidiaries operate; the global and North American economic environment; and changes in governmental regulations or tax laws. Although the forward-looking information contained in this presentation is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Certain statements included in this presentation may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than this presentation. Except as required by applicable law, the REIT undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Non-IFRS Measures

This presentation contains financial measures that do not have a standardized meaning under International Financial Reporting Standards ("IFRS") as prescribed by the International Accounting Standards Board. Slate Office uses the following non-IFRS financial measures: Funds from Operations ("FFO"), Adjusted Funds from Operations ("AFFO"), Net Operating Income ("NOI"), and Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA"). Management believes that in addition to conventional measures prepared in accordance with IFRS, investors in the real estate industry use these non-IFRS financial measures to evaluate the REIT's performance and financial condition. Accordingly, these non-IFRS financial measures are intended to provide additional information and should not be considered in isolation or as a substitute for performance measures prepared in accordance with IFRS. In addition, they do not have standardized meanings and may not be comparable to measures used by other issuers in the real estate industry or other industries.

Use of Estimates

The preparation of the REIT financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Management's estimates are based on historical experience and other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates under different assumptions.

EXECUTIVE SUMMARY (TSX: SOT.UN)

- **Focused Strategy:** a pure-play Canadian office REIT
- **Strong Operating Results:** stable payout ratio with a durable, fully-covered distribution
- **High-Quality, Diversified Tenants:** investment grade tenants with geographic and industry diversification
- **Organic Growth:** below market rents and low cost basis
- **Alignment:** disciplined and dedicated management – Slate Asset Management (“SLAM”) owns ~11.2% of Slate Office
- **Significant Growth Opportunity:** “non-core” assets account for ~66% of the Canadian office space inventory, presenting an extraordinary opportunity to build scale

FOCUSED STRATEGY

A pure-play Canadian office REIT with 38 assets totaling 6.1 million square feet



Buy Well

Acquire high-quality office properties at a significant discount to replacement cost with in-place rents that are below market

Asset Manage

Deploy strategic asset management, aggressive leasing and property re-positioning programs while cultivating relationships with key tenants

Create Value

Invest capital in redevelopment projects to create meaningful net asset value accretion

Photos: (left to right) Fortis Place, St. John's; Gateway Centre, Markham; Blue Cross Centre, Moncton

BUY WELL

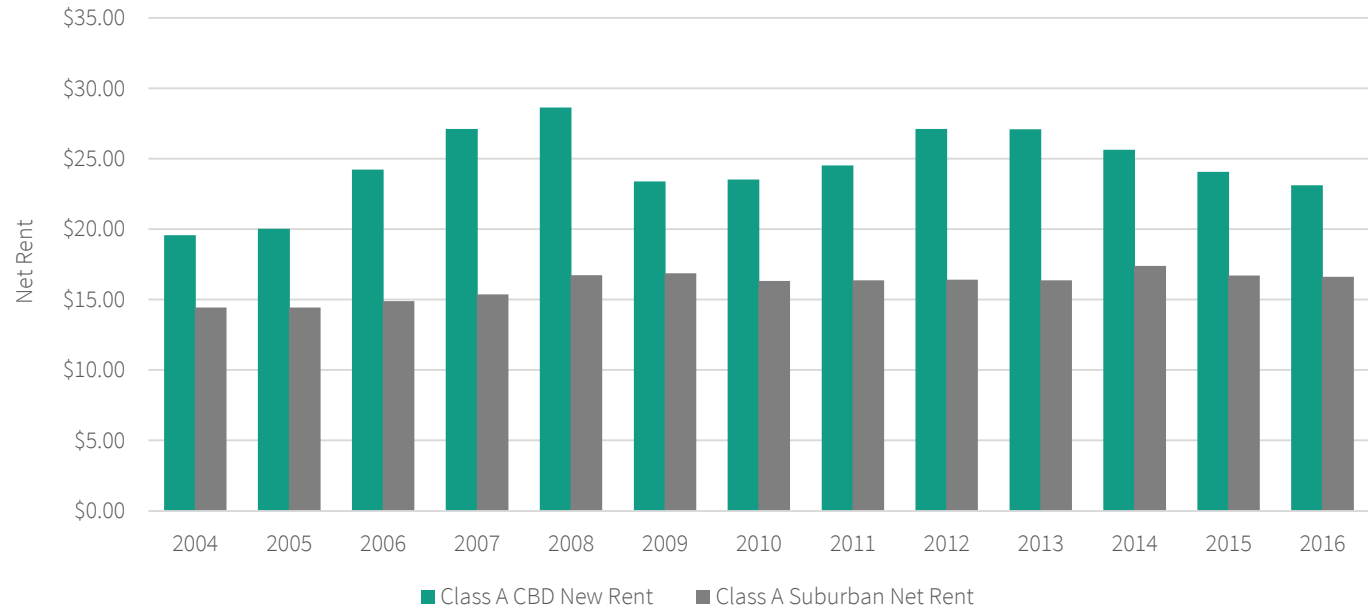
Acquiring high-quality assets below replacement cost provides superior risk-adjusted returns relative to recent core asset sales



	Core Asset	Non-Core Asset
Asset	141 Adelaide	West Metro Corporate Centre & Commerce West
Location	Downtown Toronto	GTA
Buyer	Canadian Pension Fund	Slate Office REIT
Date	December 2016	April 2017
Price	\$125 million	\$240 million
Per Square Foot	\$666	\$233
Replacement Cost	\$500	\$350
Premium / (Discount) to Replacement Cost	33%	(33%)
Cap Rate	3.8%	7.2%
Occupancy	95.0% (at market)	90.7% (below market)
In-place Rent	~\$23.00 (downward pressure on rents)	~\$15.05 (upward pressure on rents)

FOCUSED STRATEGY *(cont'd)*

Stability of suburban rents compared to core business district rents provides an attractive opportunity on a risk-adjusted basis

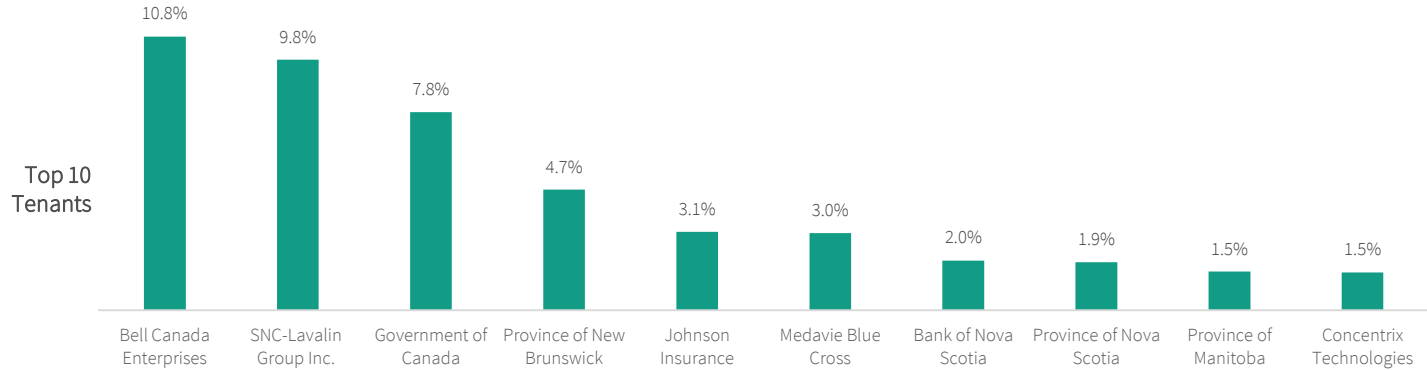


Source: Cushman and Wakefield



HIGH-QUALITY, DIVERSIFIED TENANTS

Over 46% of income is derived from investment grade (ie. BBB- or better) tenants with a weighted average lease term of 6.3 years

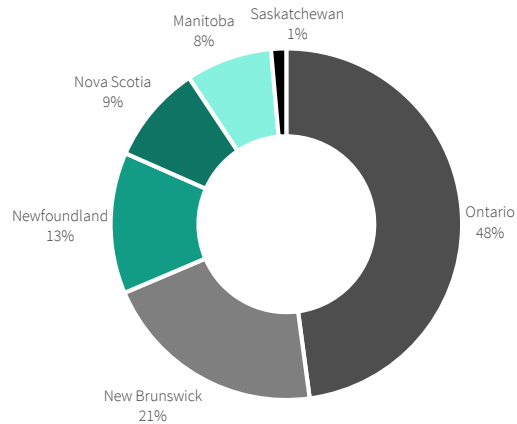


Credit Rating	BBB	BBB	AAA	AA	A	Unrated	AA	AA	AA	Unrated
Industry	Telecom	Power & Utilities	Gov't	Gov't	Insurance	Health Care	Financial	Gov't	Gov't	Technology

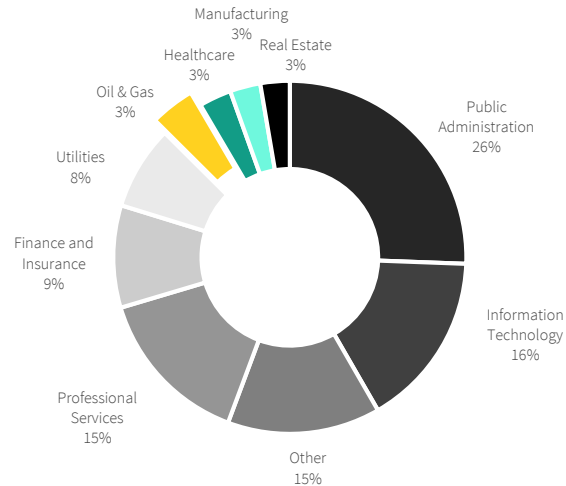
HIGH-QUALITY, DIVERSIFIED TENANTS *(cont'd)*

The REIT's portfolio has zero exposure to the Alberta office market and less than 3% of net operating income is affiliated with the oil and gas industry

Office GLA by Geography

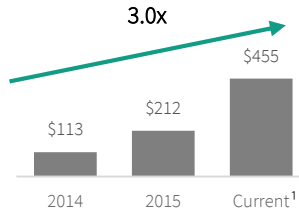


Office GLA by Industry

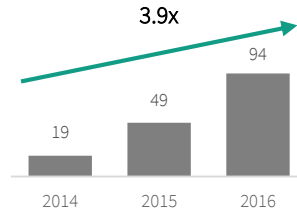


SIGNIFICANT TRANSFORMATION

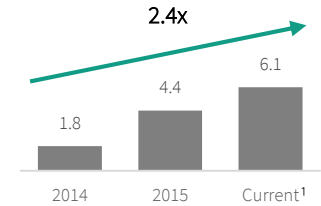
Market Capitalization
(\$ millions)¹



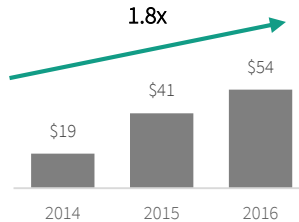
Daily Average Trading Volume
(thousands)



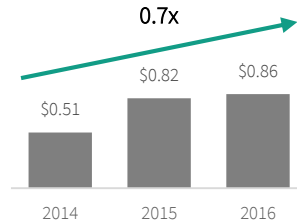
Total Gross Leasable Area
(millions sq. ft.)¹



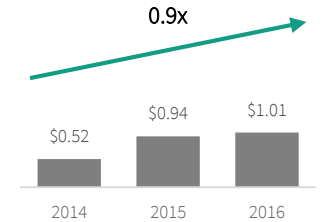
Net Operating Income
(\$ millions)



Adjusted Funds From Operations
(per unit)



Core Funds From Operations
(per unit)



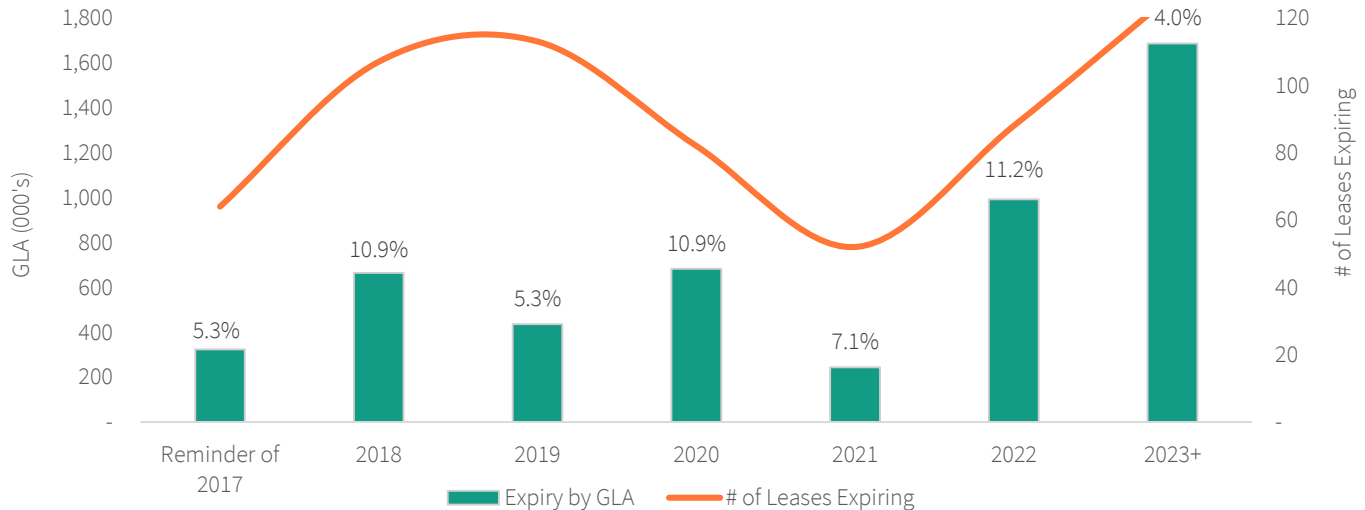
The REIT currently trades at ~9.6x 2018 AFFO multiple, significantly below the peer average of ~14.3x
As market capitalization and liquidity continue to increase, a multiple re-rating will be warranted

¹As at July 25, 2017.

EMBEDDED ORGANIC GROWTH

Lease expiry profile demonstrates stability of cash flow and opportunity for rental rate growth

- Weighted average in-place rent is \$14.61 per square foot, ~\$1.31 or ~8% below market value



SIGNIFICANT EXTERNAL GROWTH OPPORTUNITY

- “Non-core” assets account for ~66% of the Canadian office space inventory, 220 million square feet, presenting an extraordinary opportunity to build scale
- We are the only public-focused REIT aggregating in this space
 - There are very few private investors competing for similar assets
- Dislocation in Alberta provides significant opportunity
 - Those with large exposure may be forced to sell assets outside of Alberta
- The REIT continues to assess acquisition opportunities that meet its disciplined investment criteria

ALIGNMENT

- Slate Asset Management provides a dedicated Slate Office REIT management team
- The Slate Office team is led by Scott Antoniak, CEO and Robert Armstrong, CFO who together have over 35 years of commercial real estate experience
- Additionally, the Slate Office team has access to the resources and bench strength of Slate Asset Management and its team of over 59 professionals
- Slate Asset Management is aligned via its ~11.2% ownership
- Fees are consistent with market
- Path to internalization at the Board's discretion
 - Fees of 1x trailing 12-month annual management fees
- Strong independent governance

BEST-IN-CLASS GOVERNANCE

The independent trustees are characterized by strong and experienced members with significant leadership and real estate experience

	Independent	Audit	Investment	Compensation, Governance and Nominating
John O'Bryan (Chair of the Board)	Yes		Member	
Nora Duke	Yes	Member	Member	
Tom Farley	Yes		Chair	Member
Al Mawani	Yes	Chair		Member
Pam Spackman	Yes	Member		Chair
Blair Welch	No			
Brady Welch	No			

VALUATION

Selected Companies	Market	Enterprise	Current	Implied	TEV	Price / AFFO ⁽³⁾		AFFO Payout Ratio ⁽³⁾		Debt	Debt Breakdown	
	Cap ⁽¹⁾	Value ⁽¹⁾	Yield ⁽²⁾	Cap	/ Sq. Ft.	2017E	2018E	2017E	2018E	/ GBV	Fixed	Floating ⁽⁴⁾
Diversified (Large Cap)												
H&R REIT	\$6,534	\$12,688	6.4%	6.6%	\$276	13.5x	12.8x	86.5%	82.3%	43.7%	94.9%	5.1%
Canadian REIT	3,349	5,528	4.0%	6.0%	218	16.3x	16.0x	65.4%	64.0%	38.7%	89.0%	11.0%
Cominar REIT	2,463	6,841	10.9%	6.5%	155	10.8x	10.1x	117.8%	110.1%	52.5%	95.4%	4.6%
Artis REIT	2,157	4,877	8.2%	6.4%	198	11.6x	11.2x	95.3%	92.5%	50.2%	69.3%	30.7%
Morguard REIT	858	2,134	6.8%	7.5%	245	11.2x	10.6x	75.8%	72.0%	44.3%	98.8%	1.2%
Diversified REITs Average			7.3%	6.6%	\$218	12.7x	12.1x	88.2%	84.2%	45.9%	89.5%	10.5%
Office												
Allied Properties REIT	\$3,266	\$5,266	4.0%	5.5%	\$448	21.4x	19.4x	85.1%	77.1%	37.8%	94.4%	5.6%
Dream Office REIT	2,152	2,807	5.0%	6.7%	182	13.5x	14.9x	67.2%	74.2%	35.3%	89.9%	10.1%
NorthWest Healthcare Properties REIT	1,040	3,067	7.5%	7.5%	326	12.0x	11.5x	89.3%	85.9%	47.1%	83.1%	16.9%
Inovalis REIT	241	503	8.0%	5.8%	479	12.4x	11.2x	99.9%	90.1%	48.8%	85.2%	14.8%
Diversified REITs Average			6.1%	6.4%	\$359	14.8x	14.3x	85.4%	81.8%	42.3%	88.2%	11.8%
Small Cap												
Dream Industrial REIT	\$710	\$1,631	7.9%	7.1%	\$101	11.7x	11.5x	92.2%	90.6%	54.0%	100.0%	-
Plaza Retail REIT	448	985	6.2%	7.0%	127	13.8x	13.0x	85.3%	80.2%	52.1%	94.1%	5.9%
OneREIT	329	1,054	8.0%	7.1%	157	10.8x	9.8x	86.5%	78.9%	58.7%	94.5%	5.5%
Agellan Commercial REIT	348	769	7.3%	8.0%	131	11.2x	10.3x	82.0%	75.1%	50.8%	94.8%	5.2%
Summit II REIT	305	633	7.2%	6.1%	101	13.3x	12.7x	95.6%	90.9%	54.1%	84.9%	15.1%
Melcor REIT	221	566	7.9%	7.5%	204	10.0x	9.8x	78.3%	77.4%	53.4%	89.5%	10.5%
BTB REIT	201	628	8.9%	6.6%	123	12.1x	11.5x	107.7%	102.4%	65.6%	98.0%	2.0%
Automotive Properties REIT	284	519	7.4%	6.3%	397	12.3x	10.9x	91.2%	81.0%	46.5%	95.9%	4.1%
Partners REIT	143	419	8.0%	7.2%	180	n/a	n/a	n/a	n/a	59.2%	87.8%	12.2%
Small Cap REITs Average			7.6%	7.0%	\$169	11.9x	11.2x	89.8%	84.6%	54.9%	93.3%	6.7%
Slate Office REIT	\$500	\$1,250	9.3%	6.8%	\$251	10.2x	9.6x	95.5%	89.7%	54.2%		

NOTE: Market data based on closing price as at July 24, 2017; financial information as at March 31, 2017 or latest available.

(1) In millions; based on fully-diluted units outstanding

(2) Based on last distribution annualized

(3) Based on average of analysts' 2017/2018 estimates

(4) Excludes floating rate debt hedged with interest rate swaps

ENHANCED LIQUIDITY

SOT.UN Price / Volume



As at July 25, 2017.

EQUITY ANALYST COVERAGE

The REIT has seen a significant increase in equity research coverage over the last two years. There are currently 6 analysts who cover the REIT

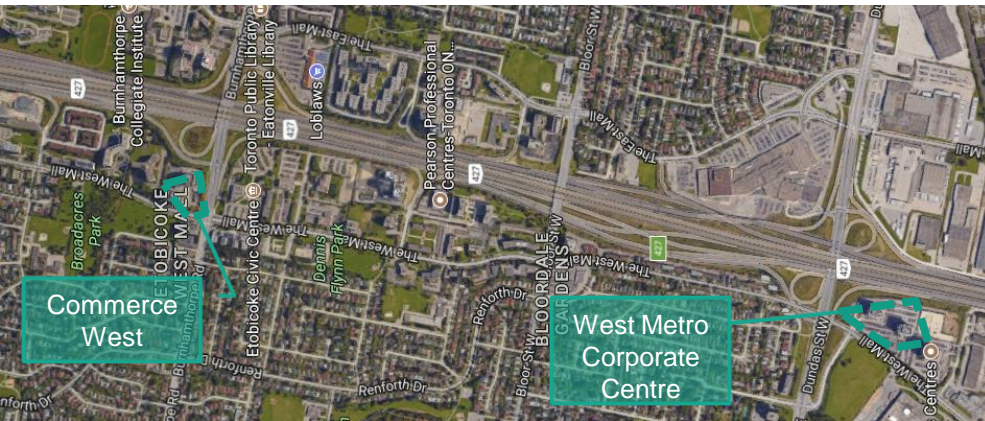
Company	Analyst	Email	Rating ¹
BMO	Troy MacLean	troy.maclean@bmo.com	Market Perform
Canaccord Genuity	Mark Rothschild	mrothschild@canaccordgenuity.com	Buy
Echelon Partners	Rob Sutherland	rob.sutherland@echelonpartners.com	Buy
GMP Securities	Jimmy Shan	jshan@gmpsecurities.com	Buy
National Bank Financial	Dawoon Chung	dawoon.chung@nbc.com	Outperform
TD Securities	Jonathan Kelcher	jonathan.kelcher@tdsecurities.com	Buy

¹As of latest available equity research report.



APPENDIX I

427 Corridor, Fredericton Acquisition



WEST METRO CORPORATE CENTRE AND THE FREDERICTON ASSETS

In Q1 2017, the REIT announced the \$260 million acquisition of The West Metro Corporate Centre and Commerce West in Etobicoke, Ontario and 250 King Street and 460 Two Nations Crossing in New Brunswick, Fredericton

427 ACQUISITION OVERVIEW

- West Metro is 93% occupied with SNC-Lavalin as the largest tenant, occupying 234,000 sq. ft.
- Commerce West is 84.7% occupied with a weighted average lease term of 3.7 years
- Strong location in the GTA with high visibility in the 427 Corridor
- West Metro is the REIT's largest asset
- Immediately accretive

FREDERICTON ACQUISITION OVERVIEW

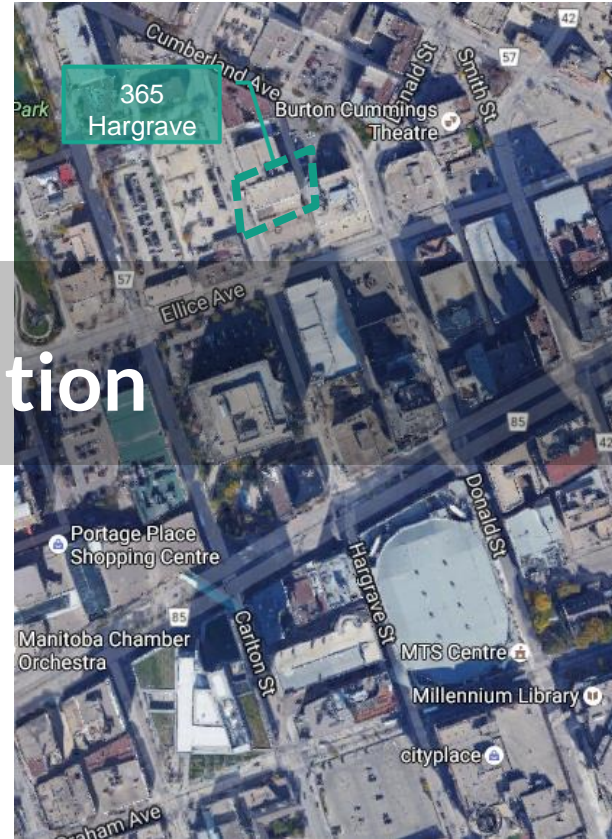
- 2 properties in Fredericton which are 100% occupied by the Province of New Brunswick (high quality, investment grade tenant)
- 250 King Street has a WALT of 3.0 years with two options to renew, while 460 Two Nations Crossing has a WALT of 11.6 years
- Immediately accretive

TRANSACTION HIGHLIGHTS

- Strategic acquisition makes SNC-Lavalin the largest tenant for the REIT
- Strengthens the REIT's presence in the suburban GTA
- Positions the REIT as a prominent landlord in the 427 Corridor
- Acquisition price of \$233 per sq. ft. is significantly below replacement costs

TRANSACTION HIGHLIGHTS

- Strategic acquisition makes the province of New Brunswick the REIT's 5th largest tenant
- Acquisition price of \$153 per square foot is significantly below replacement cost
- Builds scale in Atlantic Canada where the REIT has significant presence



APPENDIX II

365 Hargrave Street Acquisition

365 HARGRAVE STREET

In Q3 2016, the REIT announced the \$12.25 million acquisition of 365 Hargrave Street in Winnipeg, Manitoba

ACQUISITION OVERVIEW

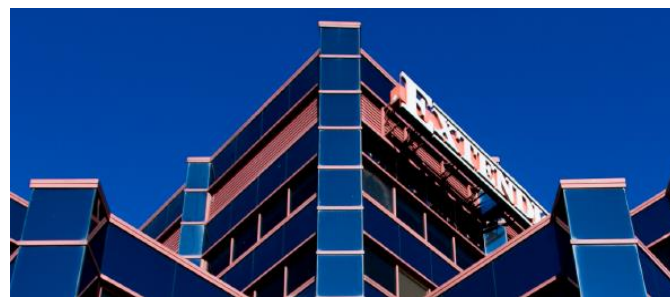
- Single tenant property leased to the Government of Canada through 2025
- Prime location in downtown Winnipeg with easy access from major regional thoroughfares
- 90.1% occupancy
- ~7.4% cap rate
- Immediately accretive

TRANSACTION HIGHLIGHTS

- Strategic acquisition makes the Government of Canada the REIT's largest tenant
- Winnipeg office market has been resilient compared to other Western Canadian markets
- Acquisition price of \$171 per square foot is significantly below replacement cost
- Acquired for less than appraised value of \$12.44 million



APPENDIX III Gateway Centre Acquisition



GATEWAY CENTRE

In Q2 2016, the REIT announced the \$57.5 million acquisition of Gateway Centre in Markham, Ontario

ACQUISITION OVERVIEW

- 2 building complex totalling 236K square feet
- 95% occupancy
- ~6.7% cap rate
- Immediately accretive

TRANSACTION HIGHLIGHTS

- Strategic acquisition adjacent to Woodbine Complex, one of the strongest performing GTA markets
- Acquisition price of \$246 per square foot is significantly below replacement cost
- In-place rents ~7.5% below market
- Adds high quality tenants such as Extencicare and Sun Life



APPENDIX III
SNC-LAVALIN LEASE EXTENSION

SNC-LAVALIN LEASE EXTENSION

\$46M commitment to revitalize Sheridan Park facilities as major tenant, SNC-Lavalin extends lease for 10 years, recipient of “Office Lease of The Year” at the 2016 REX Awards

LEASE OVERVIEW

- Research and development campus to be constructed as the headquarters for SNC-Lavalin’s nuclear division
- Initially 215,000 square feet
- 10-year term
- Exercised option for additional 28,000 square feet in June 2016
- Consistent with the REIT’s stated strategy of focusing on well-located yet overlooked Canadian office properties

HOW WE DID IT

- Ability to reposition existing assets as state-of-the-art facilities at rents significantly below new construction rents
- Excellent location including accessibility to major arterial roadways and public transit
- Secured the commitment from the City of Mississauga in Slate Office’s long-term vision for the revitalization of Sheridan Park

APPENDIX X

ATLANTIC CANADA OFFICE PORTFOLIO



ATLANTIC CANADA OFFICE PORTFOLIO

In Q2 2015, the REIT announced the \$430 million portfolio acquisition of Fortis Properties Inc.

ACQUISITION OVERVIEW

- 14 properties totalling 2.8 million square feet
- 89% occupancy
- ~8.2% cap rate
- 10% accretive to AFFO per unit

TRANSACTION HIGHLIGHTS

- Acquisition price of \$123 per square foot is significantly below replacement cost
- Portfolio includes the highest quality office properties in Atlantic Canada
- The acquisition nearly doubled Slate Office REIT's asset base, delivering on our stated growth strategy focusing on office



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