

JJR Capital Announces Proposed Qualifying Transaction of Mira II Acquisition Corp. with Element Financial Corporation

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TORONTO, Oct. 5, 2011 /CNW/ - Mira II Acquisition Corp. ("Mira II") (TSXV: MIA.P) is pleased to announce that it has entered into a letter of intent dated October 4, 2011 with Element Financial Corporation ("Element") to complete a going public transaction for Element (the "Proposed Transaction") by way of a reverse takeover of Mira II, a capital pool company listed on the TSX Venture Exchange (the "Exchange"). The Proposed Transaction will be conducted by way of an amalgamation under the *Business Corporations Act* (Ontario) pursuant to which Element will combine its corporate existence with Mira II, with the amalgamated entity being named "Element Financial Corporation" (the "Resulting Issuer").

Element is an independent finance company that originates, manages and funds equipment leases. Element specializes in providing equipment financing in Canada to owner/operators, as well as to small and medium-sized businesses. Element originates the vast majority of its equipment financings through its employee sales force, who focus on equipment vendors and direct equipment users.

In conjunction with, or prior to the closing of, the Proposed Transaction, Element intends to complete a brokered private placement co-led by GMP Securities L.P., Barclays Capital Canada Inc. and BMO Capital Markets and including CIBC World Markets Inc. and National Bank Financial Markets (the "Private Placement") of subscription receipts. It is contemplated that the subscription receipts issued pursuant to the Private Placement will ultimately be convertible or exchangeable into freely tradeable common shares (the "Amalco Shares") of the Resulting Issuer.

In addition, immediately prior to the completion of the Proposed Transaction, it is anticipated that Mira II will consolidate its common shares. It is intended that Amalco Shares will be issued to holders of Element common shares under the Proposed Transaction on the basis of one (1) Amalco Share for every one (1) common share of Element, and that outstanding options of Element will be exchanged for comparable securities of the Resulting Issuer. It is also intended that Amalco Shares will be issued to holders of Mira II common shares under the Proposed Transaction on the basis of one (1) Amalco Share for every one (1) common share of Mira II (on a post-consolidation basis), and that the outstanding options of Mira II (on a post-consolidation basis) will be exchanged for comparable securities of the Resulting Issuer.

If the Proposed Transaction is completed, it is anticipated that the board of directors of the Resulting Issuer will consist of the eleven (11) current directors of Element. If completed, the Proposed Transaction will constitute Mira II's Qualifying Transaction (as defined in Policy 2.4 of the TSX Venture Exchange Corporate Finance Manual). A comprehensive press release with further particulars relating to the Proposed Transaction will follow in accordance with the policies of the Exchange.

Completion of the Proposed Transaction is subject to a number of conditions including, but not limited to, completion of satisfactory due diligence, completion of the Private Placement, execution of a definitive agreement in respect of the Proposed Transaction, regulatory approvals, Exchange acceptance, shareholders of Element and Mira II approving, among other things, the Proposed Transaction and, if applicable pursuant to Exchange requirements, the filing of a sponsorship report and majority of the minority shareholder approval. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in securities of a capital pool company should be considered highly speculative.

The Exchange has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release. Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

ANY SECURITIES REFERRED TO HEREIN WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "1933 ACT") AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO A U.S. PERSON IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT.

Notice on forward-looking statements:

This release includes forward-looking statements regarding Mira II, Element, and their respective businesses. Such statements are based on the current expectations of the management of each entity. The forward-looking events and circumstances discussed in this release, including completion of the Proposed Transaction and the Private Placement, may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting the companies, including risks regarding the equipment finance industry, economic factors and the equity markets generally. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Mira II and Element undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise

Mira II is a capital pool company governed by the policies of the Exchange. Mira II's principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction.