

BROOKFIELD ASSET MANAGEMENT INC.

OFFERING OF CUMULATIVE MINIMUM RATE RESET CLASS A PREFERENCE SHARES, SERIES 48

TERM SHEET

A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

The following is a summary of certain of the material attributes and characteristics of the Series 48 Preferred Shares and the Series 49 Preferred Shares but does not purport to be complete.

- ISSUER:** Brookfield Asset Management Inc. (“Brookfield” or the “Company”).
- ISSUE:** Cumulative Minimum Rate Reset Class A Preference Shares, Series 48 (the “Series 48 Preferred Shares”).
- AMOUNT:** \$250,000,000 (10,000,000 Series 48 Preferred Shares).
- UNDERWRITERS’ OPTION:** The Company has granted the Underwriters an option exercisable at the Issue Price, in whole or in part, up to 48 hours prior to Closing, to purchase up to an additional \$50,000,000 Series 48 Preferred Shares (2,000,000 Series 48 Preferred Shares).
- ISSUE PRICE:** \$25.00 per Series 48 Preferred Shares.
- USE OF PROCEEDS:** The Company intends to use the net proceeds from the offering for general corporate purposes.
- INITIAL DIVIDEND RATE:** 4.75% per annum, payable quarterly for the Initial Fixed Rate Period (as defined below).
- DIVIDENDS:** *Initial Fixed Rate Period:*
- Fixed, cumulative, preferential cash dividends, as and when declared by the Board of Directors of the Company, payable quarterly on the last day of March, June, September, and December at an annual rate of \$1.1875 per Series 48 Preferred Share, for the initial period ending on December 31, 2022 (the “Initial Fixed Rate Period”). The first of such dividends, if declared, will be payable on December 31, 2017 and will be \$0.3546 per Series 48 Preferred Share, based on the anticipated closing of the offering on September 13, 2017.
- Subsequent Fixed Rate Periods:*
- For every five-year period after the Initial Fixed Rate Period (a “Subsequent Fixed Rate Period”), the Company will determine on the 30th day prior to the first day of a Subsequent Fixed Rate Period, the annual fixed dividend rate applicable to that Subsequent Fixed Rate Period (the “Annual Fixed Dividend Rate”).
 - Notice of the Annual Fixed Rate Dividend for the upcoming Subsequent Fixed Rate Period will be provided by the Company on the 30th day prior to the first day of a Subsequent Fixed Rate Period.
 - The Annual Fixed Dividend Rate will be equal to the greater of: (i) the 5-Year Government of Canada Bond Yield (“GCAN5YR”) plus 3.10% as quoted on Bloomberg (see quote for “GCAN5YR <INDEX>”) or comparable sources at 10:00 a.m. (Toronto time) on the 30th day prior to the first day of a Subsequent Fixed Rate Period, and (ii) 4.75%.

- Fixed, cumulative, preferential cash dividends payable quarterly on the last day of March, June, September, and December, based on the Annual Fixed Dividend Rate.

CONVERSION:

Election to Convert:

- On December 31, 2022 and on December 31 every five years thereafter (each a “Series 48 Conversion Date”), the holders of Series 48 Preferred Shares will have the right to elect to convert (subject to the Automatic Conversion provision described below) any or all of their Series 48 Preferred Shares into an equal number of Cumulative Floating Rate Class A Preference Shares, Series 49 (the “Series 49 Preferred Shares”). Should any such December 31 not be a business day, the Series 48 Conversion Date will be the next business day.

Election Notice:

- Holders of Series 48 Preferred Shares who elect to convert their shares into Series 49 Preferred Shares are required to provide the Company with written notice (an “Election Notice”) on a date not earlier than the 30th day and not later than 5:00 p.m. (Toronto time) on the 15th day preceding the applicable Series 48 Conversion Date. Once received by the Company, an Election Notice is irrevocable.

Notice of Series 48 Conversion Date and Dividend Rates:

- Notice of a Series 48 Conversion Date and a form of Election Notice will be given by the Company at least 30 days and not more than 60 days prior to the Series 48 Conversion Date.
- Notice of the Annual Fixed Dividend Rate for the upcoming Subsequent Fixed Rate Period will be provided by the Company on the 29th day prior to each Series 48 Conversion Date.

Not Electing to Convert and Continuing to Hold Series 48 Preferred Shares:

- If the Company does not receive an Election Notice from a holder of Series 48 Preferred Shares during the time fixed therefor, then the Series 48 Preferred Shares shall be deemed not to have been converted (except in the case of an Automatic Conversion).

Automatic Conversion and Restrictions on Conversion:

- Series 49 Preferred Shares may, on certain dates after December 31, 2027, be converted into Series 48 Preferred Shares at the option of the holders thereof (see Term Sheet for Series 49 Preferred Shares attached).
- If the Company determines that, after taking into account all Election Notices, including all Election Notices in respect of the Series 49 Preferred Shares, received by the Company during the time fixed therefor, there would be less than 1,000,000 Series 48 Preferred Shares outstanding on the applicable Series 48 Conversion Date, then all outstanding Series 48 Preferred Shares will automatically be converted on such Series 48 Conversion Date into an equal number of Series 49 Preferred Shares.
- If (I) the Company determines that, after taking into account all Election Notices, including all Election Notices in respect of the Series 48 Preferred Shares, received by the Company during the time fixed therefor, there would be less than 1,000,000 Series 49 Preferred Shares outstanding on a Series 48 Conversion Date, or (II) the Company gives notice of redemption of all outstanding Series 48 Preferred Shares, then holders of Series 48 Preferred Shares will not be entitled to convert their

shares into Series 49 Preferred Shares.

- REDEMPTION:** The Series 48 Preferred Shares will not be redeemable prior to December 31, 2022. On December 31, 2022 and on each Series 48 Conversion Date thereafter, on not more than 60 nor less than 30 days' notice, the Company may, at its option, redeem all or any number of the then outstanding Series 48 Preferred Shares upon payment of \$25.00 in cash for each Series 48 Preferred Share so redeemed together with all accrued and unpaid dividends up to but excluding the date of payment. Should any such Series 48 Conversion Date not be a business day, the redemption date in that year will be the next succeeding business day.
- PURCHASE FOR CANCELLATION:** The Company may at any time purchase for cancellation any Series 48 Preferred Shares at the lowest price or prices at which in the opinion of the Board of Directors of the Company such shares are obtainable.
- RIGHTS ON LIQUIDATION:** In the event of the liquidation, dissolution or winding-up of the Company, the holders of the Series 48 Preferred Shares will be entitled to receive \$25.00 per share together with all dividends accrued and unpaid up to but excluding the date of payment before any amount will be paid or any assets of the Company are distributed to the holders of any shares of the Company ranking junior to the Series 48 Preferred Shares. The holders of the Series 48 Preferred Shares will not be entitled to share in any further distribution of the assets of the Company.
- VOTING RIGHTS:** The holders of the Series 48 Preferred Shares will not be entitled to receive notice of, attend, or vote at, any meeting of shareholders of the Company unless and until the Company shall have failed to pay eight quarterly dividends on the Series 48 Preferred Shares, whether or not consecutive and whether or not such dividends have been declared and whether or not there are any monies of the Company properly applicable to the payment of dividends. In the event of such non-payment, and for only so long as any such dividends remain in arrears, the holders of the Series 48 Preferred Shares will be entitled to receive notice of and to attend each meeting of the Company'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 Series 48 Preferred Share held, provided that in respect of the election of directors, the holders of Series 48 Preferred Shares will vote with holders of Class A Limited Voting 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 2 may be entitled to elect if dividends on such shares are in arrears). Upon payment of the entire amount of all Series 48 Preferred Share dividends in arrears, the voting rights of the holders of the Series 48 Preferred Shares shall forthwith cease.
- PRIORITY:** The Class A Preference Shares rank senior to the Class AA Preference Shares, the Class A Limited Voting Shares, the Class B Limited Voting Shares 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 the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs. Each series of Class A Preference Shares ranks on 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 the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs.
- LISTING:** Application will be made to list the Series 48 Preferred Shares on the Toronto Stock Exchange.

September 6, 2017

EXPECTED RATINGS: DBRS: Pfd-2 (low)
S&P: P-2

**TAX STATUS ON SERIES 48
PREFERRED SHARES:** The Company will elect to pay tax under Part VI.1 of the Income Tax Act (Canada) such that holders of Series 48 Preferred Shares will not be required to pay tax on dividends received on such shares under Part IV.1.

ELIGIBILITY: The Series 48 Preferred Shares will be eligible for investment under the usual statutes.

FORM OF OFFERING: Bought underwritten public issue, eligible for sale in all provinces of Canada pursuant to a prospectus supplement to the Company's short form base shelf prospectus dated February 17, 2017.

UNDERWRITING BASIS: "Bought deal" subject to due diligence, and conventional bought deal termination provisions to be included in a definitive underwriting agreement.

UNDERWRITING FEE: 1.0% to certain specified institutions and 3.0% on all other sales.

CLOSING: September 13, 2017.

BROOKFIELD ASSET MANAGEMENT INC.

OFFERING OF CUMULATIVE FLOATING RATE CLASS A PREFERENCE SHARES, SERIES 49

TERM SHEET

ISSUER: Brookfield Asset Management Inc. (“Brookfield” or the “Company”).

ISSUE: Cumulative Floating Rate Class A Preference Shares, Series 49 (the “Series 49 Preferred Shares”).

DIVIDENDS: *Quarterly Dividend Payments:*

- Cumulative, preferential cash dividends, as and when declared by the Board of Directors of the Company, payable quarterly on the last day of March, June, September, and December (the “Quarterly Dividend Payment Date”) at the Floating Quarterly Dividend Rate (as defined below).

Floating Quarterly Dividend Rate:

- The Floating Quarterly Dividend Rate for a quarter will be equal to the 90-day Canadian Treasury Bill Rate (“T-Bill Rate”) plus 3.10% on an actual/365 day count basis. The T-Bill Rate will be calculated using the 3-month average results, as reported by the Bank of Canada, for the most recent auction preceding the date on which the Floating Quarterly Dividend Rate for such quarter is determined.
- The Floating Quarterly Dividend Rate for such quarter will be determined 30 days prior to the first day of the quarter by the Company.

CONVERSION: *Election to Convert:*

- On December 31, 2027 and on each December 31 every five years thereafter (the “Series 49 Conversion Date”), the holders of Series 49 Preferred Shares will have the right to elect to convert (subject to Automatic Conversion and Restrictions on Conversion described below) any or all of their Series 49 Preferred Shares into an equal number of Cumulative Minimum Rate Reset Class A Preference Shares, Series 48 (the “Series 48 Preferred Shares”). Should any such December 31 not be a business day, the Series 49 Conversion Date will be the next business day.

Election Notice:

- Holders of Series 49 Preferred Shares who elect to convert their Series 49 Preferred Shares into Series 48 Preferred Shares on a Series 49 Conversion Date are required to provide the Company with written notice (an “Election Notice”) on a date not earlier than the 30th day and not later than 5:00 p.m. (Toronto time) on the 15th day preceding the applicable Series 49 Conversion Date. Once received by the Company, an Election Notice is irrevocable.

Notice of Series 49 Conversion Date and Dividend Rates:

- Notice of a Series 49 Conversion Date and a form of Election Notice will be given by the Company at least 30 days and not more than 60 days prior to the Series 49 Conversion Date.
- Notice of the annual fixed dividend rate for the Series 48 Preferred Shares (the “Annual Fixed Dividend Rate”) for the upcoming period after the initial period

ending on December 31, 2022 (a "Subsequent Fixed Rate Period") will be provided by the Company on the 29th day prior to each Series 49 Conversion Date.

Not Electing to Convert and Continuing to Hold Series 49 Preferred Shares:

- If the Company does not receive an Election Notice from a holder of Series 49 Preferred Shares during the time fixed therefor, then the Series 49 Preferred Shares shall be deemed not to have been converted (except in the case of an Automatic Conversion).

Automatic Conversion and Restrictions on Conversion:

- Series 48 Preferred Shares may, on certain dates after December 31, 2022 be converted into Series 49 Preferred Shares at the option of the holders thereof (see Term Sheet for Series 48 Preferred Shares attached).
- If the Company determines that, after taking into account all Election Notices, including all Election Notices in respect of the Series 48 Preferred Shares, received by the Company during the time fixed therefor, there would be less than 1,000,000 Series 49 Preferred Shares outstanding on the applicable Series 49 Conversion Date, then all outstanding Series 49 Preferred Shares will automatically be converted on such Series 49 Conversion Date into an equal number of Series 48 Preferred Shares.
- If (I) the Company determines that, after taking into account all Election Notices, including all Election Notices in respect of the Series 48 Preferred Shares, received by the Company during the time fixed therefor, there would be less than 1,000,000 Series 48 Preferred Shares outstanding on the applicable Series 49 Conversion Date, or (II) the Company gives notice of redemption of all outstanding Series 49 Preferred Shares, then holders of Series 49 Preferred Shares will not be entitled to convert their shares into Series 48 Preferred Shares.

REDEMPTION:

On December 31, 2027 and on each Series 49 Conversion Date thereafter, on not more than 60 nor less than 30 days' notice, the Company may, at its option, redeem all or any number of the then outstanding Series 49 Preferred Shares upon payment in cash for each Series 49 Preferred Share so redeemed of an amount equal to \$25.00 together with all accrued and unpaid dividends up to but excluding the date of payment. On any other date after December 31, 2022 that is not a Series 49 Conversion Date, on not more than 60 nor less than 30 days' notice, the Company may, at its option, redeem all or any part of the then outstanding Series 49 Preferred Shares upon payment in cash for each Series 49 Preferred Share so redeemed for an amount equal to \$25.50 together with all accrued and unpaid dividends up to but excluding the date of payment. Should any such December 31 or any other redemption date not be a business day, the redemption date will be the next business day.

PURCHASE FOR CANCELLATION:

The Company may at any time purchase for cancellation any Series 49 Preferred Shares at the lowest price or prices at which in the opinion of the Board of Directors of the Company such shares are obtainable.

RIGHTS ON LIQUIDATION:

In the event of the liquidation, dissolution or winding-up of the Company, the holders of the Series 49 Preferred Shares will be entitled to receive \$25.00 per share together with all dividends accrued and unpaid up to but excluding the date of payment before any amount will be paid or any assets of the Company are distributed to the holders of any shares of the Company ranking junior to the Series 49 Preferred Shares. The holders of the Series 49 Preferred Shares will not be entitled to share in any further distribution of the assets of the Company.

VOTING RIGHTS:

The holders of the Series 49 Preferred Shares will not be entitled to receive notice of,

attend, or vote at, any meeting of shareholders of the Company unless and until the Company shall have failed to pay eight quarterly dividends on the Series 49 Preferred Shares, whether or not consecutive and whether or not such dividends have been declared and whether or not there are any monies of the Company properly applicable to the payment of dividends. In the event of such non-payment, and for only so long as any such dividends remain in arrears, the holders of the Series 49 Preferred Shares will be entitled to receive notice of and to attend each meeting of the Company'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 Series 49 Preferred Share held, provided that in respect of the election of directors, the holders of Series 49 Preferred Shares will vote with holders of Class A Limited Voting 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 2 may be entitled to elect if dividends on such shares are in arrears). Upon payment of the entire amount of all Series 49 Preferred Share dividends in arrears, the voting rights of the holders of the Series 49 Preferred Shares shall forthwith cease.

PRIORITY:

The Class A Preference Shares rank senior to the Class AA Preference Shares, the Class A Limited Voting Shares, the Class B Limited Voting Shares 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 the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company 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 the Company, whether voluntary or involuntary, or in the event of any other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs.

LISTING:

Application will be made to list the Series 49 Preferred Shares on the Toronto Stock Exchange.

**TAX STATUS ON SERIES 49
PREFERRED SHARES:**

The Company will elect to pay tax under Part VI.1 of the Income Tax Act (Canada) such that holders of Series 49 Preferred Shares will not be required to pay tax on dividends received on such shares under Part IV.1.