



GULF & PACIFIC EQUITIES CORP.

For Immediate Release

Gulf & Pacific Equities Corp. Announces the Acquisition of the Tri-City Mall in Cold Lake, Alberta

Toronto, December 11, 2006 - Gulf & Pacific Equities Corp. (TSX-V:GUF) (the "Corporation") is pleased to announce that it has closed the previously announced acquisition of the Tri-City Mall in Cold Lake, Alberta. The Tri-City Mall is a grocery-anchored shopping centre with a gross building area of 161,303 square feet anchored by a Sobeys store and a Zellers store. The mall also features a freestanding Pizza Hut and Alberta Treasury Branch. The total land area is approximately 18 acres.

Anthony Cohen, President and Chief Executive Officer of the Corporation commented "The Tri-City Mall is a synergistic addition to our portfolio of grocery store anchored shopping centres in Northern Alberta. Located in rapidly growing communities, we believe our properties have growth opportunities due to their location in a market that has positive employment trends and strong local economies." Mr. Cohen added, "With the addition of Tri-City Mall, we've expanded our property holdings to over 300,000 square feet of rentable area on nearly 1.5 million square feet of land."

The total purchase price for the Tri-City Mall was approximately \$13.3 million, excluding closing costs and subject to standard adjustments, of which \$1.5 million is a vendor take-back mortgage payable over the 2 years at an interest rate of 8.5%. The acquisition was financed, in part, with a \$9 million first mortgage with First National Financial LP bearing interest at 5.32% and expiring in December 2011. The balance of the purchase price was funded by a \$1 million bridge loan bearing interest at 15% and maturing in December 2007, short-term unsecured loans totaling \$1 million, each having a term of one year and bearing an interest rate of 6%, and by utilizing the Corporation's cash on hand. In connection with the bridge loan, the Corporation paid a cash fee equal to 4% of the principal amount to the lender and granted the lender blanket second mortgages (subject to pre-existing security interests) on certain of the Corporation's other properties.

The Corporation is also pleased to announce the appointment of Paul Andersen as treasurer, subject to regulatory approval.

For further information, please contact:

Mr. Anthony Cohen, President and Chief Executive Officer
Gulf & Pacific Equities Corp.
Suite 300, 1300 Bay Street
Toronto, Ontario, M5R 3K8
Telephone: 416-968-3337
www.gpequities.com

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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