GULF & PACIFIC EQUITIES CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

Quarterly Report for the three months ended March 31, 2022

This Management Discussion and Analysis ("**MD&A**") of Gulf & Pacific Equities Corp (the "**Company**") provides analysis of the Company's financial results for the three months ended March 31, 2022. The following information should be read in conjunction with the accompanying unaudited condensed interim financial statements and the related notes for the three months ended March 31, 2022 and the audited financial statements and the related notes for the year ended December 31, 2021.

The unaudited condensed interim financial statements and related notes of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). Refer to the Notes of the March 31, 2022 unaudited condensed interim financial statements for disclosure of the Company's significant accounting policies. The Company's functional and reporting currency is the Canadian dollar.

The Company is publicly traded on the TSX Venture Exchange (TSX-V: **GUF**).

International Financial Reporting Standards

The Company's unaudited condensed interim financial statements for the quarter ended March 31, 2022 and the December 31, 2021 audited financial statements have been prepared in accordance with IFRS as published by the International Accounting Standards Board.

Date of Report

This report is prepared as of May 19, 2022.

Forward Looking Statements

This MD&A includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address the Company's ability to lease vacant property units, collect minimum rents, diversify its tenant base, undertake land intensification projects, refinance loans and mortgages at their maturity, complete accretive acquisitions and other events that impact the growth of the Company are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include interest rates, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

Additional information including press releases have been filed electronically through the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and are available online under our profile at www.sedar.com or the Company's website at www.gpequities.com.

Company Overview

The Company was incorporated under the *Business Corporations Act* (Alberta) on April 8, 1998 and on June 17, 1998 filed Articles of Amendment to remove certain private corporation restrictions. The Company is listed on the TSX Venture Exchange (TSX-V: GUF). The Company commenced active operations during the 1999 fiscal year and is focused on the acquisition, management, and development of anchored shopping centres in Western Canada.

The Company's current portfolio consists of three properties located in Alberta. The three properties consist of Tri-City Mall located in Cold Lake, Alberta with a gross lease area of 141,289 sq. ft., St. Paul Shopping Centre, in St. Paul, Alberta with a gross lease area of 79,042 sq. ft. and a stand-alone property in Three Hills, Alberta with 9,003 sq. ft. of gross lease area. The Company still holds a vacant lot in Merritt, B.C..

First Quarter 2022 Highlights

In the first quarter 2022:

- As initially reported in the second quarter of 2020, the quarter was the start of the national and global battle against the COVID-19 pandemic. During the past two plus years, many of our tenants faced economic uncertainty, closing and reopening their businesses. However, those deemed essential services such as drug stores, grocery stores, dollar stores, banks, and government remained operational. At the writing of this report, Canada is in the sixth wave of COVID-19, and although COVID restrictions have mostly been eliminated, consumer confidence remains fragile in the retail sector.

- As part of the Canadian Emergency Business Account (CEBA) loan program, the Company received a total of $60,000 from the program, with $40,000 repayable by December 31, 2023.

- At **Tri-City Mall**, during the quarter and subsequent to the quarter, the Company secured $3 million in financing for the construction of a new pad site at Tri-City Mall. Ongoing leasing negotiations are in process with a number of national tenants, and the Company hopes to announce the new tenants in the second quarter. As well, local leasing and leasing renewals were ongoing. The Company continues to monitor the market and look for emerging opportunities with new national & local tenants.

- At **St. Paul Shopping Centre**, management is pleased to report that the St. Paul Shopping Centre is fully leased in its current configuration.

- In **Three Hills**, Red Apple Stores Inc. continued to operate the premises as The Bargain Shop.

- In **Merritt**, the Company still holds a vacant lot with nominal value.

- The Company has a revolving unsecured loan agreement with Ceyx Properties Ltd. ("**Ceyx**") for up to $6 million at an annual interest rate of 6% with no fixed terms for repayment (the "**Loan**"). As of March 31, 2022, the balance outstanding was $1,697,000.

Overall Performance

<u>Condensed Interim Statements of Financial Position</u>

On the Condensed Interim Statements of Financial Position, total assets were $47,047,283 at March 31, 2022, compared to $44,080,522 as of December 31, 2021. The increase of $2,966,761 in total assets during the quarter is primarily due to a $3 million loan drawn to fund the construction of the new pad site at Tri-City Mall.

The Company's cash and cash equivalents balance increased by $2,839,322 during the three months to $3,017,380 at March 31, 2022, from $178,058 as of December 31, 2021. The increase in cash and cash equivalents is mostly due to increase in loan during the quarter offset by the use of funds for regular property management expenses, mortgage payments, and administration.

Accounts receivable increased to $287,296 at March 31, 2022, from $275,144 as of December 31, 2021, mostly due to the Company's outstanding receivables in common area and property taxes.

Total prepaid expenses for the Company are $20,314 as of March 31, 2022, an increase from $5,674 as of December 31, 2021.

Effective January 1, 2019, in accordance with IFRS 16, the Company recorded a right-of-use asset of $80,590 for its corporate office lease. As at March 31, 2022, the right-of-use asset has a remaining balance of $16,447.

Investment properties increased to $43,597,446 as of March 31, 2022, from $43,500,000 as of December 31, 2021, due to expenditures invested in the new pad site as of the quarter.

The Company holds common shares of a related company. The value of the shares is $56,952 as of March 31, 2022, compared to $48,816 as of December 31, 2021.

Other assets, represent value of shares held in several credit unions.

With respect to liabilities, accounts payable and accrued liabilities increased to $2,640,461 as of March 31, 2022, from $2,376,605 as of December 31, 2021, due to increased activities related to the pad site construction during the quarter and normal operations such as property taxes, common area expenses, and loan interest.

Mortgages payable increased to $21,985,095 as of March 31, 2022, from $19,272,565 as of December 31, 2021, due to an increase in mortgage during the quarter to fund the construction of the new pad site.

Effective January 1, 2019, in accordance with IFRS 16, the Company recorded a lease liability of $82,470 for its corporate office lease. As at March 31, 2022, the lease liability has a remaining balance of $18,293.

As of March 31, 2022, the Company had an outstanding loan obligation of $1,697,000 from a related corporation, Ceyx Properties Ltd. The loan is unsecured, with access to a maximum value of up to $6,000,000 and interest payable of 6% per annum. Interest is accrued but not compounded. The companies are related by virtue of the fact that they have the same President. The related corporation is not a subsidiary.

Government loan payable represents a COVID-19 government loan due December 31, 2023. The difference between the amount received in cash and the related fair value was recognized as a government grant on the statements of income and comprehensive income. The value of the loan is $36,729 as at March 31, 2022.

The deferred income tax liability of $1,418,000 as of March 31, 2022, represents the Company's future obligations due to temporary differences between the accounting basis and the tax basis of the assets and liabilities, and tax loss carry forwards.

Total liabilities increased to $27,795,578 as of March 31, 2022 from $24,831,896 as of December 31, 2021. This increase is primarily due to the new loan in the quarter offset by normal payments of interest and principal.

Shareholders' equity was $19,251,705 as of March 31, 2022 compared to $19,248,626 as of December 31, 2021. The increase in shareholder's equity was nominal, representing the quarterly results from rental revenue, common area and property taxes recoveries, and repayment of mortgages.

Condensed Interim Statements of Income and Comprehensive Income

For the quarter ended March 31, 2022, revenue increased to $940,004 from $873,038 for the quarter ended March 31, 2021. The increase was primarily due to increases in rent and common area & realty tax recoveries in the first quarter from a new tenant and increased sales from other tenants paying percentage rent.

Accordingly, rental income increased by $44,389 or 7.0% as a result of increases in base rent and percentage rent by some tenants. Step rent revenue changed from negative $14,539 in the quarter ended March 31, 2021, to $13,261 in the quarter ended March 31, 2022, a non-cash amount representing the straight-line recognition of the future rent increase for the new leases. Common area and realty tax recoveries increased by $21,299 or 8.5% for the quarter compared to the same period last quarter, due mostly to the recovery of common area and realty taxes from tenants.

Expenses for the quarter increased to $1,014,688 as of March 31, 2022, from $872,618 for the quarter ended March 31, 2021, an increase of $142,070 or 16.3%. The primary reason for the increase in expenses is higher activities related to the construction of the new pad site and related costs associated with securing the financing and new tenants, including increased interest and administration in the quarter compared to normal operating expenses in the same period in 2021.

In detail, an increase in interest of $73,501 or 26.3% in the quarter. Increases in operating costs and realty taxes of $22,151 or 5.1% are due mainly to higher expenses in the quarter in the Tri-City Mall related to some extreme winter conditions. Administration expenses increased by $46,417 or 29.8% mostly due to professional fees associated with the new pad site development otherwise, administration expenses remain stable.

Overall, within the normal operations of the Company, expenses are holding steady, and management remains focused on controlling costs and operating efficiently.

Net income (loss) before unrealized gain, change in estimate of accrued liabilities, government grant, fair value adjustment, other income and income taxes for the quarter ended March 31, 2022 was a loss of $74,684, compared to a gain of $420 for the quarter ended March 31, 2021. As a result, basic and diluted net income per share before unrealized gain, change in estimate of accrued liabilities, government grant, fair value adjustment, other income and income taxes was $Nil per share for the quarter ended March 31, 2022 and $Nil for the quarter ended March 31, 2021.

Net income and comprehensive income for the quarter ended March 31, 2022 was an income of $3,079 compared to $117,666 for the quarter ended March 31, 2021. As a result, basic income per share was a net income of $Nil per share for the quarter ended March 31, 2022, and $0.01 per share for the quarter ended March 31, 2021. Diluted income per share was $Nil per share for the quarter ended March 31, 2022 and $0.01 per share for the quarter ended March 31, 2021.

Condensed Interim Statements of Cash Flow

On the condensed interim statements of cash flows, cash provided by operations totalled $476,185 for the three months ended March 31, 2022, compared to cash provided by operations of $515,293 for the three months ended March 31, 2021.

Financing activities for the three months ended March 31, 2022 recorded funds provided of $2,461,612 compared to funds used of $495,628 for the three months ended March 31, 2021.

Investing activities for the three months ended March 31, 2002 recorded funds used of $98,475 compared to funds used of $9,725 for the same period last year.

As at March 31, 2022, the Company had cash and cash equivalents of $3,017,380 compared to cash and cash equivalents of $157,815 as at March 31, 2021.

Selected Annual Information

The following selected financial data for each of the three most recently completed financial years are derived from the audited annual financial statements of the Company, which were prepared in accordance with International Financial Reporting Standards ("IFRS") and presented for the years ended December 31, 2021, 2020 and 2019.

For the Years Ended December 31,	**2021**	**2020**	**2019**
	$	$	$
Revenue	3,965,397	3,749,518	3,838,060
Net Income (Loss) before fair value adjustment, other income items and income taxes	306,736	174,443	215,716
Net Income (Loss) before fair value adjustment, other income items and income taxes, per share - basic and diluted	0.01	0.01	0.01
Net Income (Loss) and Comprehensive Income (Loss)	4,390,010	431,610	(197,218)
Net Income (Loss) and Comprehensive Income (Loss), per share - basic	0.21	0.02	(0.01)
Net Income (Loss) and Comprehensive Income (Loss), per share - diluted	0.21	0.02	(0.01)
Total Assets	44,080,522	40,125,307	40,228,443
Total Liabilities	24,831,896	25,401,199	25,935,945
Cash Dividends	-	-	-

Summary of Quarterly Results

The following selected financial data are derived from the unaudited quarterly financial statements of the Company, which were prepared in accordance with IFRS for the results from April 1, 2020 to March 31, 2022.

	2022	2021				2020		
For the Quarters Ended	**Mar 31**	**Dec 31**	**Sep 30**	**Jun 30**	**Mar 31**	**Dec 31**	**Sep 30**	**Jun 30**
	$	$	$	$	$	$	$	$
Revenue (i)	940,004	1,064,014	1,029,139	999,206	873,038	1,005,546	899,642	937,139
Net Income (Loss) before fair value adjustment, other income items and income taxes (i)	(74,684)	84,040	194,534	27,742	420	81,022	75,416	(145,549)
Net Income (Loss) before fair value adjustment, other income items and income taxes, per share - basic and diluted	-	-	0.01	-	-	-	-	-
Net Income (Loss) and Comprehensive Income (Loss)	3,079	4,099,344	146,025	26,975	117,666	200,650	108,028	(65,320)
Net Income (Loss) and Comprehensive Income (Loss), per share - basic	-	0.19	0.01	-	0.01	0.01	-	-
Net Income (Loss) and Comprehensive Income (Loss), per share – diluted	-	0.19	0.01	-	0.01	0.01	-	-

(i) Certain amounts from the unaudited quarterly financial statements of the Company have been reclassified in this table to conform with current period presentation. These reclassifications did not have any impact on the total net income (loss) and comprehensive income (loss). Amounts may not agree with the previously filed financial statements.

Liquidity and Capital Resources

The Company had cash and cash equivalents of $3,017,380 as of March 31, 2022, which is sufficient to cover the Company's near-term cash requirements. If additional capital resources are required, management believes that it has the ability to raise sufficient funds for the continuation of operations. While management has been historically successful in raising the necessary capital, it cannot provide assurance that it will be able to obtain the required financing.

The Company has commitments for capital expenditures related to the landlord's work in securing the new tenants. The Company currently has access of up to $6,000,000 in loan proceeds from a related party. As at March 31, 2022, $1,697,000 is outstanding on this loan.

The Company is committed under a lease contract for the rental of its office premises in Toronto.

To date, the Company has not paid any dividends on its shares and as of the date of this MD&A does not plan to pay dividends in the immediate future.

The Company's objectives when managing capital are:

a) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders, and

b) to provide adequate return to shareholders by obtaining an appropriate amount of debt commensurate with the level of risk, to reduce after-tax cost of capital.

First Quarter 2021

Major events and results relating to the quarter ending March 31, 2022 are covered in the section “First Quarter 2022 Highlights”.

Changes in Accounting Policies

The IASB issued an amendment to IAS 16, Property, Plant and Equipment, to prohibit the deducting from property, plant and equipment amounts received from selling items produced while preparing an asset for its intended use. Instead, sales proceeds and its related costs must be recognized in profit or loss. The amendment will require companies to distinguish between costs associated with producing and selling items before the item of property, plant and equipment is available for use and costs associated with making the item of property, plant and equipment available for its intended use. The amendment is effective for annual periods beginning on or after January 1, 2022, with earlier application permitted. The adoption of this amendment did not have any impact on the Company’s financial statements.

Financial Instruments

All of the Company's financial instruments are initially measured at fair value, with subsequent measurements dependent on the classification of each financial instrument as follows:

Asset/Liability	**Classification under IFRS 9**
Cash and cash equivalents	Amortized cost
Accounts receivable	Amortized cost
Investments	FVTPL
Other assets	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Mortgages	Amortized cost
Loan Payable	Amortized cost
Government loan payable	Amortized cost

Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares without par value. As of March 31, 2022, the Company had issued and outstanding 21,290,685 common shares with a recorded value of $7,453,322.

The Company is also authorized to issue an unlimited number of preference shares without par value, of which none have been issued.

Off-Balance Sheet Arrangements

The Company had no off-balance sheet transactions for the quarter ended March 31, 2022 or the year ended December 31, 2021.

Related Party Transactions

During the quarter ended March 31, 2022, the Company:

a) Charged rent at 1240 Bay Street to related parties, Plato Gold Corp., $600 (March 31, 2021 - $600) and Ceyx Properties Ltd., $900 (March 31, 2021 - $900). The companies are related parties of the Company by virtue of the fact that they both have the same President of the Company. As at March 31, 2022, included in accounts receivable is an amount of $16,800 (December 31, 2021 - 16,200) due from these related parties.

b) Was charged consulting fees for financial and management services of $30,039 (March 31, 2021 - $28,594) by Greg K. W. Wong, an officer of the Company. As at March 31, 2022, accounts payable and accrued liabilities included $13,292 (December 31, 2021 - $Nil) of consulting fees payable to this officer.

c) Incurred accounting fees of $19,500 (March 31, 2021 - $19,500) from a company in which Paul Andersen, one of the Company's officers, is an officer. As at March 31, 2022, accounts payable and accrued liabilities included $73,020 (December 31, 2021 - $51,865) owing to this company.

d) Other related party transactions are disclosed in note 6, 7 and 11 to the accompanying financial statements.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the particular related parties and the Company.

Contractual Obligations and Commitments

The Company's contractual obligations and commitments consists of loans and mortgages which are disclosed in the notes to the unaudited condensed interim financial statements ended March 31, 2022 and in the notes to the audited financial statements ended December 31, 2021. In

February 2018, the Company moved to new offices and has lease obligations for its new offices until 2023.

Internal Control over Financial Reporting

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the audited annual financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited annual financial statements and (ii) the audited annual financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the audited annual financial statements.

In contrast to the certificate required under Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**MI 52-109**"), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in MI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's GAAP.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer (such as the Company) to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risk and Uncertainties

The Company depends on several national retail chains for a significant part of its income. If any of these chains were adversely affected by economic or business conditions, it would have a negative impact on the Company. The Company would also be adversely affected by a long-standing large increase in interest rates or a severe economic slowdown.

COVID-19

The outbreak of the novel strain of coronavirus in 2020, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus for the past two years. These measures which include the implementation of travel bans, self-imposed quarantine periods, and social distancing have caused material disruption to businesses resulting in a global economic disruption. At the same time, global equity markets have experienced historic volatility. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize domestic economic conditions. The long term economic impact of the COVID-19 outbreak is unknown, as is the efficacy of the government and central bank interventions. As we emerge from the past two years of battling COVID-19, it is not possible to reliably estimate the resulting severity of these developments and the impact on the financial results and condition of the Corporation in future periods.

For the Company, COVID-19 has no physical impact on the three properties located in northern Alberta. However, COVID-19 does significantly impact the daily operations of the company, the operations of the tenants, the rental payments by tenants, the cost of operations at each property and the Company's ability to access funds in the capital markets for financing. The current impact of COVID-19 on the Company is reported in the section "First Quarter 2022 Highlights". Going forward, until the population is fully vaccinated against COVID-19, the uncertainty and its impact on the Company remains difficult to measure for the coming year.

Subsequent Event

Subsequent to the quarter ended March 31, 2022, the Company completed a $3,000,000 loan financing from Canadian Western Bank (the "Bank") for the construction of a pad site at a Tri-City Mall in Cold Lake. Monthly interest only payments are payable on the loan for the first twelve (12) months after drawdown, at a variable rate of the Bank's prime lending rate plus 1%. Following, the interest only period, the loan is repayable in monthly payments of principal and interest based on an amortization period of twenty (20) years. A $100,000 line of credit was also secured with the same rates. The construction of the pad site has started as of the date of this report.

OUTLOOK

COVID-19 continues to impact the global economy as vaccination and the reopening of normal economic activities are the key factors driving the major economies around the world. While western nations with higher vaccination rates are reopening cautiously, developing nations are still dealing with the pandemic due to low vaccination rates. This global variation in vaccination rates has caused a slow restart of economic activities in the developing nations, thus impacting the global supply chains worldwide for a wide range of products.

As of this writing, COVID-19 is well into the sixth wave in North America, with most COVID cases associated with those who are not fully vaccinated. In addition, the war in Ukraine are affecting oil prices around the world with major impact on the Alberta economy, resulting increase economic activities in the oil sector. The result is that local and global economic uncertainty will be with us well into 2022.

In the recent federal budget announcement, government spending will continue to keep domestic economies afloat with a focus on specific sectors of the economy and to encourage the return of the labour force. As well, inflation is increasing faster than expected, and interest rates are anticipated to increase in the second quarter of 2022.

Federal and provincial governments are taking a cautious approach to reopening local businesses to ensure that current health care capacity is not overwhelmed but with a focus on ensuring a successful reopening, particularly in the retail sector.

In Alberta, the oil and gas prices have rebounded along with a robust capital market in equities. The increased global demand for oil due to reduced oil supply from Russia will have long term benefits for Alberta. However, these positive indications have not fully transferred to the retail sector in Alberta, but indicators are positive on the horizon. Our mix of “everyday basic needs” has served us well during the pandemic.

Overall, the economic future remains uncertain for many sectors of the economy, including commercial real estate holdings.

For the Company, our properties are in regions with diverse economies and do not solely depend on the oil & gas sector. While it’s anticipated that oil prices will impact local economies, it will be softened somewhat in these two regions due to their diversification, with agriculture, tourism, and the Canada Forces Base in Cold Lake, in addition to the oil and gas industry.

The historic low-interest-rate environment is ending, and interest rate increases are anticipated to allow central banks to keep inflation in check. The Company will continue to monitor the interest cost for future financing.

Operationally, our business model has enabled the Company to weather past economic downturns better than most sectors, as our anchor tenants and national retailers are key retailers in their region. In addition, groceries, pharmacies, and some of our other tenants are deemed essential services.

While the Canadian retail market will be facing a major reorganization after COVID-19, the Company has historically been able to renew leases when due and secure new tenants when opportunities arise. Accordingly, management is continuing its efforts to lease the remaining vacancies at Tri-City Mall.

Tri-City Mall, Cold Lake, Alberta

The Tri-City Mall remains the flagship mall in the Company's portfolio and represents a major portion of the revenue generated for the Company.

As of the writing of this report, the Company has secured financing for the construction of a new 7,491 sq. ft. pad site at Tri-City Mall. Construction has started and details of the new tenants will be announced once finalized.

In the quarter ended March 31, 2022, the Company continued to work with the tenants to weather the economic challenges due to COVID-19. The Company is committed to leasing the remaining space in Tri-City Mall and fully leasing the mall.

With the changes noted above, the current tenant profile remains stable with Ardene, ATB Financial, Fire & Flower, Government of Alberta Infrastructure, Bootlegger, Bross Hair, Dollar Tree, Easy Financial, Pet Valu, Pizza Hut, Sobeys, Sportchek, V-Nails & Spa, Value Drug Mart, Warehouse One, and Winners. When fully leased, the mall will add substantial value to the Company's investment portfolio.

St. Paul Shopping Centre, St. Paul, Alberta

St. Paul Shopping Centre continues to be fully leased in its current configuration. The current tenant profile consists of Peavey Mart, Ardene, Dollar Tree, Marks, and Giant Tiger Stores occupying the mall. The two pad sites are leased by Tim Hortons and Petro Canada.

Three Hills, Alberta

Our Three Hills property is operating as a Bargain! Shop.

In Merritt, British Columbia, the Company still holds a vacant lot.

Our long-term financing consists of mortgages and an unsecured loan with a related party. As of March 31, 2022, the mortgages and loans outstanding for the Cold Lake and St. Paul properties stand at $21,762,829 for these two properties bearing interest at 5.26% ($16,079,905) maturing on September 1, 2023, at 4.48% ($2,682,924) maturing on April 1, 2025 and at prime plus 1% ($3,000,000) maturing on March 4, 2027. The Three Hills property has a mortgage balance of $258,580 as of March 31, 2022, paying interest at 5.85% and maturing on December 1, 2023.

The Company has access to the loan with Ceyx of up to $6 million to finance the redevelopment of the two malls and general operation of the Company of which $1,697,000 is outstanding as of March 31, 2022 and with accumulated interest of $1,613,156.

The Company had cash and cash equivalents of $3,017,380 as of March 31, 2022, with 21,290,685 shares outstanding. The closing price of the Company's common shares on the TSXV on March

31, 2022, was $0.275.

Management continues to reduce costs at the corporate level and, when appropriate, to maintain or reduce Common Area Maintenance expenses on all properties.

We are focused on maintaining a strong relationship with our many quality tenants such as Ardene, ATB Financial, Government of Alberta Infrastructure, Bootlegger, Dollar Tree, Easy Financial, Fire & Flower, Giant Tiger Stores, Mark's Work Warehouse, Peavey Mart, Pet Valu, Petro Canada, Pizza Hut, Sobeys, Sportchek, The Bargain Shop, Tim Hortons, V-Nails & Spa, Value Drug Mart, Warehouse One, and Winners. To view a complete list of our tenants, please visit our website at www.gpequities.com.

Our business model of investing in anchored shopping centres, with a focus on everyday needs, remains our competitive advantage during good and difficult economic conditions.

The Company continued to focus on securing new leases based on the current interest of national and local tenants. However, COVID-19 has dramatically changed the retail landscape and new leasing will be a challenge. Management is committed to fully leasing Tri-City Mall, which will substantially increase the valuation of the investment portfolio based on external appraisals. The Company is pleased to report that St. Paul Shopping Centre continues to be fully leased based on the current configuration.

On a personal note, I would like to thank all the healthcare workers and retail workers and staff in Canadian retail, who made our lives better during the pandemic, which will hopefully run its course in the coming months.

Yours truly,

(signed) "Anthony J. Cohen"
Anthony J. Cohen
President & CEO
May 19, 2022