

2023 Annual Report

Prince Albert Development Corporation

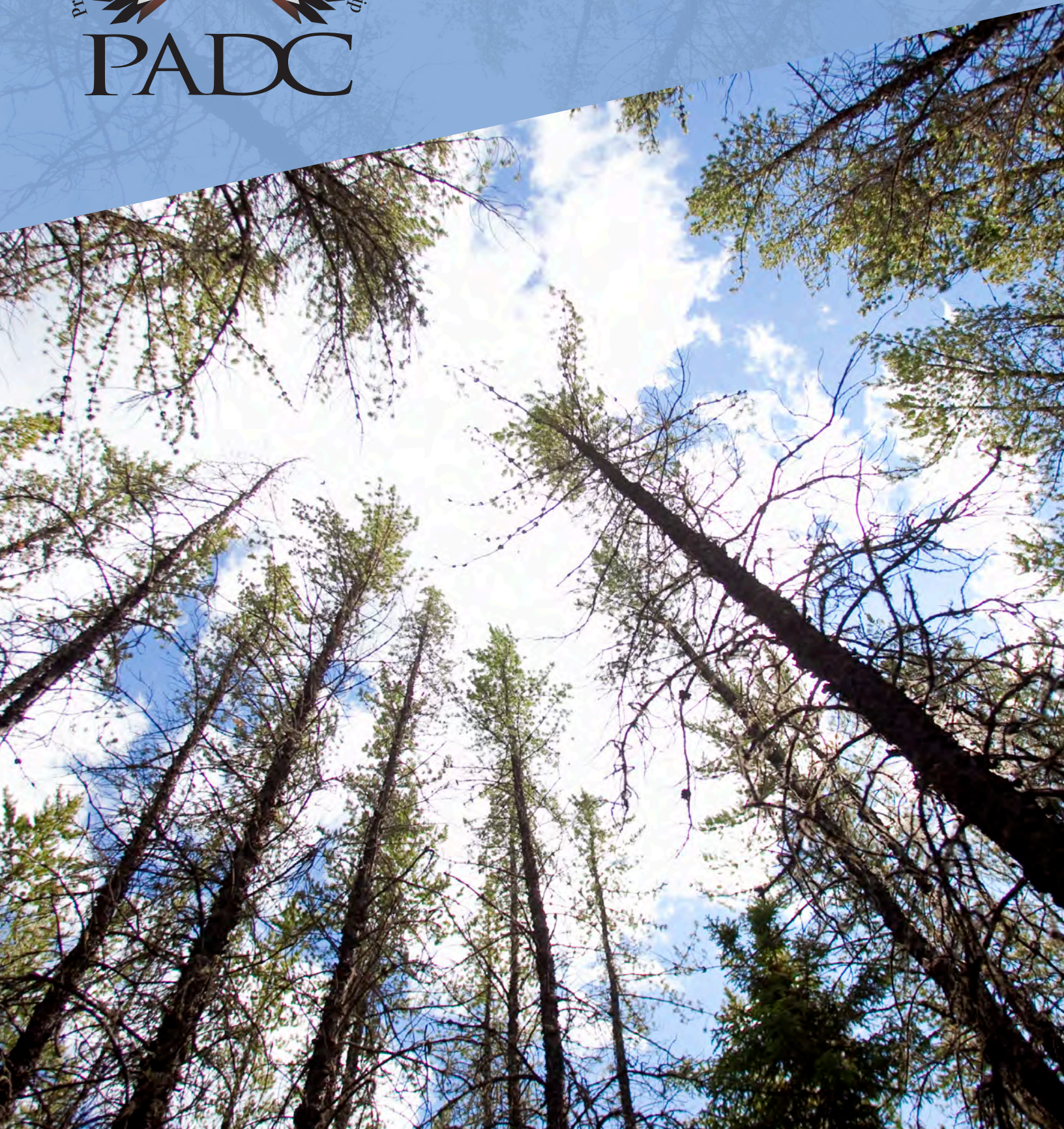


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Overview 2022-2023

Investments continue to build strength from the previous years' results. Effects of inflation, interest rates, consumer hesitation, delays in projects, etc. have all played a role in many of the companies' business activities. The wind is not yet fully at the back of Saskatchewan and we need that to occur to reach all-time highs for the company.

First Nations University continues to lease Central Place on a year-to-year basis. Planning to complete a significant flooring project was undertaken to improve the quality of the facility.

Athabasca Basin Development continues to provide interim management services for the Partnership. A planning session will be held in the next year to better develop criteria to find a permanent manager.

Prince Albert First Nations Business Development Limited Partnership (the Partnership) posted net earnings (profit) of \$3,224,131 for the fiscal year ending March 31, 2023. The net earnings less PADC's portion were equally divided (\$265,991) amongst the 12 Limited Partners and each Limited Partner received a cash distribution of \$50,000 in December 2022. At the end of the fiscal year, each Limited Partner had \$2,000,144 in Partner's Capital.

Corporate Structure

First Nations
Limited Partners

Prince Albert
Development Corporation

Board of Directors

Management Board

Management

Business Services

Investment Fund

Arctic Beverages LP

Glenmor Equipment LP

Synergy Five LP

Western First Nations Hospitality LP

Rise Air

Points North Group of Companies

2022/2023 was a year of returning demand and activity in Saskatchewan after recovering from the the COVID pandemic. Prince Albert First Nations Business Development Limited Partnership’s (PAFNBDLP) six investments continue to see increased demand with mining, healthcare, community needs, exploration and tourism all contributing to growth in all of the investment earnings. Activity in Northern Saskatchewan remains consistent and continued Uranium contracting is positive for our investments.

Labour shortages still remain a challenge in Saskatchewan and around the globe. Aviation in particular is facing an industry-wide pilot shortage due to fewer pilots being trained in the last three years. While this creates some difficulty for our investments, this represents a major opportunity for those looking to enter the workforce.

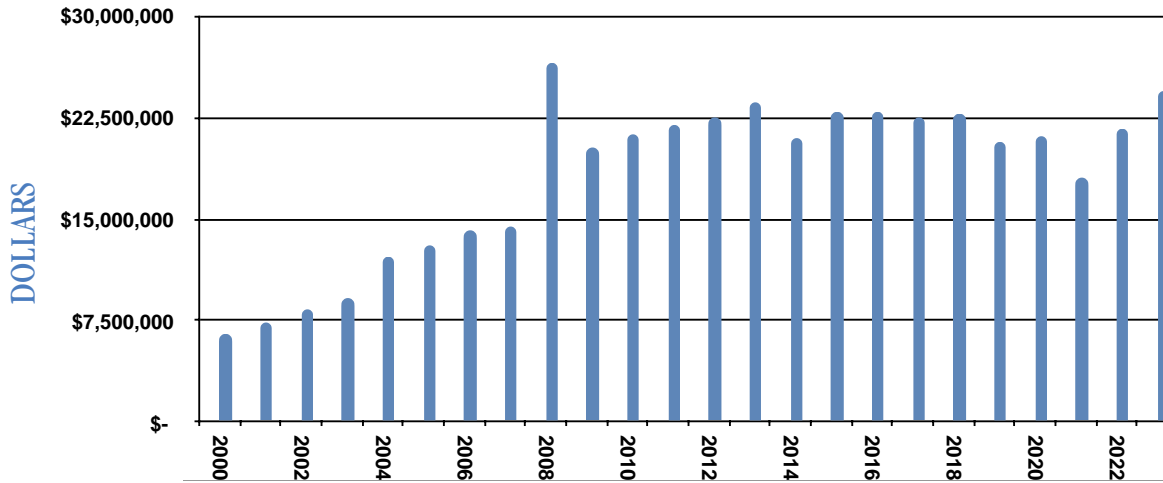
Inflation is also still a concern in our investments as companies need to continually make sure they are not committing to prices that would be too low if areas such as labour and material costs continue to increase.

We look forward to what’s ahead as we are seeing companies across the country be very progressive with Indigenous participation and seeing the benefits of supporting Indigenous companies.

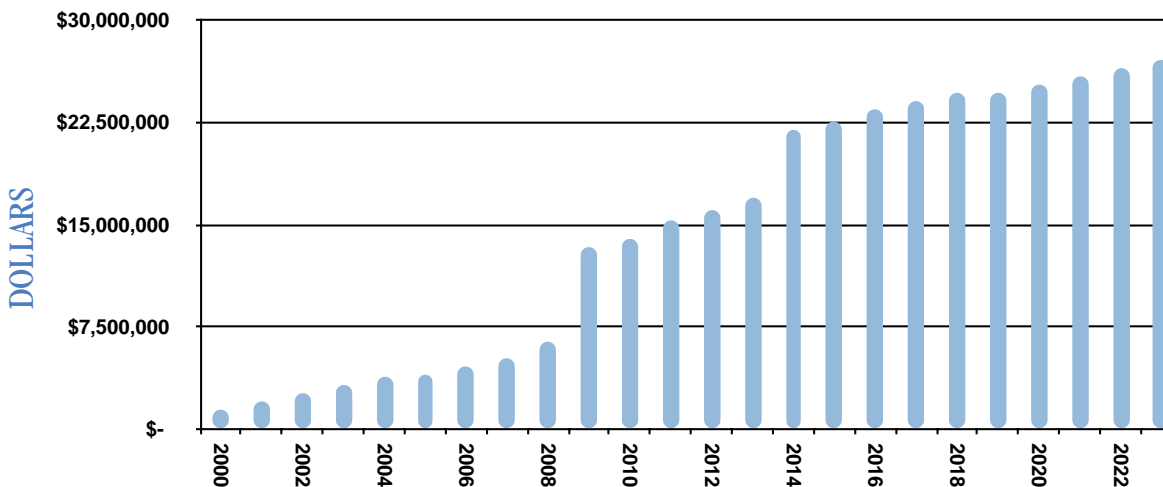
Corporate Highlights

- The Partnership donated \$100,000 to the Prince Albert Grand Council (PAGC) in support of Sports and Recreation activities – bringing the total to \$1,600,000 over the past 16 years
- Arctic Beverages distributes product to 44% of Canada
- Synergy 5 Investments is the third largest cannabis company in Saskatchewan with seven stores
- Points North Group of Companies continues to be profitable and gaining momentum as the exploration cycle improves
- The Partnership paid the annual cash distribution of \$50,000 to each of the First Nation partners in December 2022
- Western First Nations Hospitality continues to perform well and it continues to see a recovery in rooms booked in all of its markets
- Rise Air is profitable in an industry immersed with wide pilot shortages, high fuel prices and overall increasing demand
- Glenmor Equipment continues to deliver strong customer service and consistent earnings

Partners' Capital



Partners' Total Cash Distributions



Investments



Rise Air

In March 2002, the Partnership purchased a 25.5% ownership interest in West Wind Aviation LP. In June 2016, The Partnership made an additional investment in West Wind Aviation along with Athabasca Basin Development LP (ABDLP), which enabled West Wind Aviation LP to purchase 100% of Transwest Aviation LP. In 2021, the company changed its name to Rise Air. Today, the Partnership owns 25% of Rise Air, an aviation company that provides air charter, medevac, ground services and scheduled flights to Northern Saskatchewan.

Western First Nations Hospitality

The Partnership owns 20% of Western First Nations Hospitality, which owns and operates four Super 8 properties located in Prince Albert, Saskatoon (Circle Drive), Meadow Lake and Vermillion. The hotels offer free wi-fi and free continental breakfast.



Points North Group of Companies

The Partnership owns 17.02% of Points North Group of Companies. Located in Points North Landing, the company provides camp services, accommodations, meals, fuel and lumber sales, and freight and delivery services.



Glenmor Equipment

On August 1, 2014, the Partnership purchased a 17.4% ownership interest in Glenmor Equipment LP. Other partners in Glenmor Equipment include Sturgeon Lake First Nation Developments Limited Partnership (33.6%) and GGSL Holdings Ltd. (49%). Glenmor Equipment is now majority owned by First Nation business corporations. Glenmor Equipment sells short-line equipment used by individuals and companies operating in the agriculture, construction, mining and forestry sectors. Examples of short-line equipment include Kubota Tractors, Terex loaders, grain dryers and grass mowers. Glenmor Equipment provides parts and repair service for all the machinery and equipment it sells.

Arctic Beverages

On May 12, 2014, the Partnership purchased a 16.66% ownership interest in Arctic Beverages LP. Other partners in the purchase of Arctic Beverages included Paskwayak Limited Partnership (35%) and Athabasca Basin Development Limited Partnership (48.34%). Arctic Beverages has franchise agreements with PepsiCo Canada for the exclusive distribution of their beverage and snack products throughout northern Manitoba, northern Saskatchewan, northwest Ontario, Nunavut, Yukon and the Northwest Territories. Arctic Beverages has the largest PepsiCo franchise territory in North America and is the only Indigenous-owned franchise distributor of PepsiCo products in North America.





Synergy 5 Investments

In April 2018, the Partnership purchased a 25% interest in Synergy Investments LP. The other investors include Athabasca Basin Development and Peter Ballantyne Group of Companies. Synergy 5 Investments owns and operates retail cannabis stores under the brand name "5Buds Cannabis." There are currently seven stores located in Prince Albert, Warman, Yorkton, North Battleford, Humboldt, Kindersley, and La Ronge.

Contacts

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Synergy 5 Investments LP

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