

First Capital REIT Releases Letter to Unitholders and Files Meeting Materials for the Upcoming Annual and Special Meeting of Unitholders

- *First Capital's Optimization Plan is the Best Plan to Unlock and Maximize Value Today*
- *Unitholders and Analysts are Overwhelmingly Supportive of First Capital's Optimization Plan*
- *First Capital has a Refreshed and Strengthened Board of Independent and Qualified Trustees*
- *Unitholders are Urged to **Vote the BLUE Proxy** in Support of the Refreshed Board of First Capital*

Questions? Need Help? Contact Kingsdale Advisors at 1-888-379-3955 or contactus@kingsdaleadvisors.com

Toronto, Ontario (March 1, 2023) – First Capital REIT (“**First Capital**” or the “**REIT**”) (TSX: FCR.UN) today announced that it has filed its management information circular (the “**Circular**”) and related proxy materials in connection with its annual and special meeting (the “**Meeting**”) of unitholders (the “**Unitholders**”) to be held on March 28, 2023, at 10:00 a.m. (Toronto time), in a hybrid format in Toronto, Ontario and virtually via live webcast.

The proxy materials present compelling reasons for Unitholders to vote their **BLUE** Proxy in favour of First Capital's recommended and refreshed board of trustees (the “**Board**”). The letter to unitholders and related proxy materials also explains in detail why unitholders should WITHHOLD their votes on Sandpiper and Artis' (the “**Sandpiper Group**”) four nominees, who are beholden to Samir Manji and the Sandpiper Group and intent on pursuing the Sandpiper Group's short term and self-interested agenda. A copy of the letter is available at www.protectyourFCR.ca and has been filed on SEDAR.

Right Plan, Right Team.

First Capital has an independent, qualified Board that is committed to acting in the best interests of ALL unitholders. First Capital's recommended and refreshed Board includes its highly regarded new Chair, Paul Douglas, new additions Ira Gluskin and Richard Nesbitt, as well as incumbents Adam Paul, the REIT's President and Chief Executive Officer, Leonard Abramsky, Sheila Botting, Ian Clarke, Annalisa King and Al Mawani. In addition, Dayna Gibbs will stand for election following the retirement from the Board of Andrea Stephen, who has decided not to stand for re-election. Ms. Gibbs was the Chief Operating Officer of Summit Industrial Income REIT, prior to its recent privatization, and has in depth industry expertise with over two decades of real estate, finance, governance and capital markets experience. Ms. Gibbs is a seasoned governance professional, having served on and chaired numerous committees for public, private, and not-for-profit boards. Since 2018, seven of the ten trustees at First Capital, including the Chair, have joined the Board as part of our ongoing refreshment efforts.

“I want to thank Andrea on behalf of the entire Board for her significant contributions to First Capital”, said Paul Douglas, Chair of the Board of First Capital REIT. Mr. Douglas continued, “We are confident that we have the right plan and the right team to continue to drive and unlock value within our exceptional portfolio. Our highly qualified and independent nominees have the skills, experience and fresh perspective that First Capital needs. Sandpiper and Artis have a conflicted and self-interested agenda that will disrupt the value creation that is underway at First Capital. We urge all unitholders to carefully review the materials we filed today that set out the clear and unequivocal case to support First Capital's trustee nominees who will protect and drive value for all unitholders.”

Sandpiper Group's Track Record is a Clear Risk to First Capital's Unitholders

The Sandpiper Group has shown that it cannot be trusted to act in the best interests of all unitholders and has a clear track record of implementing a self-serving agenda. Mr. Manji, CEO of both Sandpiper and Artis, promised Artis' unitholders that he would halt all related party transactions but then did the exact opposite by hiring his own firm, Sandpiper, to manage the REITs investments. Since taking control of Artis in December 2020, Sandpiper has transformed Artis into a hedge fund without unitholder consent by transitioning from a diversified REIT into an investor in real estate securities for which Sandpiper collects fees. This type of self-dealing has seen Samir Manji and his firm Sandpiper receive millions in fees and compensation while unitholders have seen the value of their Artis units drop by more than 30% and the discount to net asset value widen to approximately 50%.

First Capital unitholders are right to question whether Samir Manji would bring this pattern of self-dealing, poor governance and value destruction to First Capital if given the chance. Now more than ever, it is important to have a Board that is committed to unlocking value for all unitholders and to prevent the Sandpiper Group from creating a false sense of urgency to serve their own self-interest at the expense of Unitholders.

Protect Your Investment. Vote Your **BLUE** Proxy Today.

Unitholders are urged to vote only their **BLUE** Proxy or **BLUE** Voting Instruction Form:

- **FOR** the election of: Paul Douglas, Adam Paul, Leonard Abramsky, Sheila Botting, Ian Clarke, Dayna Gibbs, Ira Gluskin, Annalisa King, Al Mawani and Richard Nesbitt.
- **WITHOLD** on the four (4) nominees beholden to Sandpiper and Artis who are intent on pursuing a short-term agenda to benefit Sandpiper and Artis to the detriment of other unitholders.

VOTE FOR THE RIGHT PLAN AND THE RIGHT TEAM. PROTECT YOUR INVESTMENT IN FIRST CAPITAL FROM A SELF-SERVING ACTIVIST.

Vote your **BLUE** Proxy or **BLUE** Voting Information Form well in advance of the proxy-cut off deadline at 10:00 a.m. (Toronto time) on March 24, 2023.

The Circular provides important information on the business of the meeting, including First Capital's recommended and refreshed Board, as well as related matters such as voting procedures and how to attend the Meeting in person or virtually. Unitholders are urged to read the Circular carefully and in its entirety. The Circular is available on First Capital's website at www.protectyourFCR.ca and under the REIT's profile on SEDAR at www.sedar.com.

Unitholders who have questions or need assistance voting their units should contact First Capital's strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors, at 1-888-370-3955 (toll-free within North America) or at 1-416-867-2272 (outside of North America) or by email at contactus@kingsdaleadvisors.com

Advisors

Kingsdale Advisors is acting as strategic shareholder advisor to First Capital. Gagnier Communications is acting as communications advisor to First Capital. Stikeman Elliott LLP is acting as legal counsel to the Board. RBC Capital Markets is acting as financial advisor to First Capital.

About First Capital REIT (TSX: FCR.UN)

First Capital owns, operates and develops grocery-anchored, open-air centres in neighbourhoods with the strongest demographics in Canada.

FORWARD-LOOKING STATEMENT ADVISORY

This press release contains forward-looking statements and information within the meaning of applicable securities law, including but not limited to the anticipated execution and impact of the Optimization Plan and the Meeting and related matters. These forward- looking statements are not historical facts but, rather, reflect First Capital's current expectations and are subject to risks and uncertainties that could cause the outcome to differ materially from current expectations. Such risks and uncertainties include, among others, general economic conditions; tenant financial difficulties, defaults and bankruptcies; increases in operating costs, property taxes and income taxes; First Capital's ability to maintain occupancy and to lease or release space at current or anticipated rents; development, intensification and acquisition activities; residential development, sales and leasing; risks in joint ventures; environmental liability and compliance costs and uninsured losses; and risks and uncertainties related to the impact of the ongoing pandemic, epidemics or other outbreaks on First Capital which are described in First Capital's MD&A for the year ended December 31, 2022 under the heading "Risks and Uncertainties - Ongoing Pandemic, Epidemics or New Outbreaks". Additionally, forward- looking statements are subject to those risks and uncertainties discussed in First Capital's MD&A for the year ended December 31, 2022, and in its current Annual Information Form. Readers, therefore, should not place undue reliance on any such forward-looking statements. First Capital undertakes no obligation to publicly update any such forward-looking statement or to reflect new information or the occurrence of future events or circumstances except as required by applicable securities law. All forward-looking statements in this press release are made as of the date hereof and are qualified by these cautionary statements.

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