

**LP RRSP LIMITED PARTNERSHIP #2**  
**CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

**LP RRSP LIMITED PARTNERSHIP #2**  
**NOTICE OF NO AUDITOR REVIEW OF FINANCIAL STATEMENTS**  
**For the Years Ended December 31, 2014 and 2013**

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The accompanying unaudited consolidated financial statements of LP RRSP Limited Partnership #2 (the "Partnership") have been prepared by and are the sole responsibility of the Partnership's management. These financial statements have not been independently reviewed or audited.

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**LP RRSP LIMITED PARTNERSHIP #2****CONSOLIDATED BALANCE SHEETS***(In Canadian dollars)**(Unaudited)*

	Notes	December 31,	
		2014	2013
<b>Assets</b>			
Investment in Limited Partnership Land Pool (2007)		811,901	748,261
Amounts due from related parties		58,358	67,224
<b>Total assets</b>		<b>870,259</b>	<b>815,485</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities		3,743	-
<b>Total liabilities</b>		<b>3,743</b>	<b>-</b>
<b>Equity</b>			
General partner		10	10
Limited partners		866,506	815,475
<b>Total equity</b>		<b>866,516</b>	<b>815,485</b>
<b>Total liabilities and equity</b>		<b>870,259</b>	<b>815,485</b>

*See accompanying notes to the consolidated financial statements.*

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**LP RRSP LIMITED PARTNERSHIP #2****CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)***(In Canadian dollars)**(Unaudited)*

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	Notes	Year ended December 31,	
		2014	2013
<b>Revenues</b>			
Gain on investments		<b>63,640</b>	-
Miscellaneous income	3	-	217,796
		<b>63,640</b>	217,796
<b>Expenses</b>			
Loss on investments		-	1,167,792
General and administrative		<b>12,609</b>	3,009
		<b>12,609</b>	1,170,801
Earnings (loss) being comprehensive income (loss)		<b>51,031</b>	(953,005)

*See accompanying notes to the consolidated financial statements.*

**LP RRSP LIMITED PARTNERSHIP #2**  
**CONSOLIDATED STATEMENTS OF PARTNERS' EQUITY**  
**For the years ended December 31, 2014 and 2013**  
*(In Canadian dollars)*  
*(Unaudited)*

	<b>Net Partners' Contributions</b>	<b>Deficit</b>	<b>Partners' Equity</b>
<b>At December 31, 2012</b>	6,309,363	(4,540,873)	1,768,490
Loss being comprehensive loss for the year	-	(953,005)	(953,005)
<b>At December 31, 2013</b>	6,309,363	(5,493,878)	815,485
Earnings being comprehensive income for the year	-	51,031	51,031
<b>At December 31, 2014</b>	6,309,363	(5,442,847)	866,516

*See accompanying notes to the consolidated financial statements.*

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**LP RRSP LIMITED PARTNERSHIP #2**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the years ended December 31, 2014 and 2013**  
*(In Canadian dollars)*  
*(Unaudited)*

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**1. ORGANIZATION AND OPERATION OF THE PARTNERSHIP**

LP RRSP Limited Partnership #2 (the "Partnership") is a limited partnership formed under the laws of the Province of Alberta on January 15, 2008 pursuant to the Partnership Act (Alberta). It commenced operations by raising funds through an offering memorandum dated January 16, 2008 for limited partnership units ("Units"). As at December 31, 2014, the Partnership had 5,990,475 Units outstanding (December 31, 2013 - 5,990,475 Units).

The Partnership was established to participate in the development of raw (primarily agricultural) land in Airdrie and Delacour (the "Properties") through an indirect interest in Limited Partnership Land Pool (2007) ("LPLP").

The affairs of the Partnership are managed by the General Partner, GP RRSP 2007 Inc.

**2. BASIS OF CONSOLIDATION**

The consolidated financial statements include the accounts of the Partnership and its wholly-owned subsidiary, LPLP 2007 Subco #2 Inc. All intra-group transactions and balances are eliminated on consolidation.

**3. MISCELLANEOUS INCOME**

Pursuant to a sales agreement dated January 15, 2008 with LPLP, LPLP agreed to market 10,000 Units for the Partnership. The Partnership incurred marketing administration fees of \$212,410 in 2008 and \$19,287 in 2009 which were recorded as an amount due to related parties. In 2013, it was determined that, as 94% of the proceeds raised by the Partnership were used to acquire units in LPLP, resulting in the issuance of 5,990,475 LPLP units, LPLP was responsible for 94% of the marketing administration fees paid, or 217,796.

Accordingly, the Partnership recognized miscellaneous income of \$217,796 for the year ended December 31, 2013 representing a recovery of issuance costs previously expensed.

**LP RRSP LIMITED PARTNERSHIP #2**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(In Canadian dollars)

(Unaudited)

**4. NON-IFRS PRESENTATION OF COMPREHENSIVE INCOME**

Under International Financial Reporting Standards (IFRS), the Partnership's earnings from its 13.7% indirect ownership interest in Limited Partnership Land Pool (2007) are presented as a single line item: "gain (loss) on investments". The following table presents the operating results for the Partnership and its indirect investment in Limited Partnership Land Pool (2007) using the proportionate consolidation method:

	Year Ended December 31,				
	2014	2013	2012	2011	2010
<b>Revenues</b>					
Recovery of development land	320,779	-	-	22,273	465,132
Rental income	10,714	11,741	17,005	9,962	9,192
Miscellaneous income	-	144,775	-	-	-
	331,493	156,516	17,005	32,235	474,324
<b>Expenses</b>					
Write-down of development land	-	845,644	1,843,047	-	-
Interest	261,562	241,409	236,057	243,142	104,494
General and administrative expense	18,202	21,776	24,423	9,983	31,351
Development costs	698	692	4,034	-	-
	280,462	1,109,521	2,107,561	253,125	135,845
Earnings (loss)	51,031	(953,005)	(2,090,556)	(220,890)	338,479

Earnings (loss) per unit	\$ 0.009	\$ (0.159)	\$ (0.349)	\$ (0.037)	\$ 0.057
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**5. LIMITED PARTNERS' EQUITY PER UNIT**

The following table presents the book value of limited partners' equity per unit:

	Year Ended December 31,				
	2014	2013	2012	2011	2010
Limited partners' equity	866,506	815,475	1,768,480	3,859,036	4,079,926
Limited partners' equity/ Unit	\$0.145	\$0.136	\$0.295	\$0.644	\$0.681