4207106 MANITOBA LTD.
240 River Avenue, Winnipeg, R3L 0B4
Telephone 204 477-6950 Fax 204 452-7534

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OFFICE OF THE DIRECTOR

March 1, 2006

His Worship Mayor Sam Katz
Office of the Mayor
2nd Floor Council Building
510 Main Street
Winnipeg, MB R3B 1B9

Dear Mayor Katz:

With reference to our letter of February 7, 2006 and in light of current events, certain delays have been encountered which we feel should be addressed at this time.

The change in our Federal Government has necessitated a major change in the Heritage Ministry department and has resulted in a slight delay of the press release and final signing of the restoration agreement covering the Union Tower Building and all other Heritage buildings in Canada.

However, in consultation with Parks Canada, we have been assured that the agreement will be signed by June 30, 2006.

As financing is currently in place, we will commence construction as soon thereafter that permits may be obtained. We are currently scheduling July 31, 2006 as the commencement date.

Our leasing agents, Royal Le Page Stevenson are working with lease candidates and the condition of our agreement to have 10,000 sq. ft. of the building developed by April 30, 2007 can be complied with.

We hope these revised dates meet with your approval.

Sincerely yours,

Guy Hobman
Pace- Greentree Builders Inc

Joe Bova
Man-Shield Construction Inc
On Behalf of 420710 Manitoba Ltd.

c.c. Mr. H. Finnegan