Appendix A

Winnipeg

Water and Waste Department • Service des eaux et des déchets

September 27, 2017 Our File No.: DASSF 533/2007

FRONTIER ACQUISITION INC.
C/O JIM PATTISON GROUP
1800 - 160 W. Cordova Street
Vancouver, British Columbia V6C 1C7

Attention: Bill Harbottle, President

Dear Mr. Bill Harbottle:

RE: WATER MAIN RE-LOCATION AND ASSOCIATED WORKS
1486 REGENT AVENUE WEST, WINNIPEG, MANITOBA

The purpose of this letter is to outline and document the mutual understanding of certain matters by Frontier Acquisition Inc. ("Frontier", a corporation duly registered to carry on business in Manitoba) and The City of Winnipeg ("City").

Frontier is the registered owner of the following land in the City of Winnipeg, in Manitoba:

Lot 2 Plan 47727 WLTO
In OTM Lots 68 to 71 Parish of St Boniface

(land title number 2891313/1)

and

All that portion Lot 32 Plan 5371 WLTO which lies between two lines drawn NLY at right angles to the southern limit of said lot, from points in the same, distant ELY thereon 695 feet and 765 feet respectively from the most WLY angle of said lot exc Regent Ave West, Plan 25494 WLTO in OTM Lots 68 to 71 Parish of St Boniface

(land title number 2891312/1)

which land has a street address of 1486 Regent Avenue West and is shown on Miscellaneous Plan No. 15231 (attached to this letter as **Schedule "A"**)

("Land").

Frontier wishes to develop the Land by constructing one or more commercial buildings on it. A portion of one proposed building is located above a water main crossing Lot 2 Plan 47727 WLTO within an existing easement in favour of the City (caveat registration number 3131227/1). Frontier and the City have determined that developing the Land in this manner would require:

- the construction and installation of a new water main and associated works; and
- the abandonment or removal of the existing water main and associated works

("WM Works").

Frontier and the City agree with each other as follows:

1. Frontier will, at its sole expense and at no cost to the City, retain the services of a qualified municipal engineer as the project manager to coordinate the WM Works ("Project Manager").

2. The latest version of the following City documents:

   - Standard Construction Specifications; and
   - Water and Sewer Standards Manual

   will apply to all materials supplied and all construction procedures related to Frontier's undertaking of the WM Works.

3. The City will permit Frontier to, at Frontier's sole expense and at no cost to the City, undertake the WM Works, subject to Frontier entering into an Agreement for Services with the City. The Agreement for Services:

   - Is subject to approval by Council for the City;
   - Will be governed by the laws of the Province of Manitoba and Canada;
   - Will contain the above conditions 1 and 2 and the following conditions (among others):

     a. Frontier will be responsible for any and all costs associated with the WM Works, including without limitation the cost of all engineering services.

     b. Prior to Frontier undertaking the WM Works, Frontier will submit construction drawings to the City for the City's review and consideration for approval in accordance with the City's Underground Structures Approval process.

     c. Prior to Frontier undertaking the WM Works, Frontier will, in accordance with the City's current practices for servicing agreements, provide the City with letters of credit, in dollar amounts determined by the City and in a form satisfactory to the City, as security to guarantee the performance of Frontier's obligations:

        - In the Agreement for Servicing; and
        - Under The Builders' Liens Act (Manitoba).

     d. Frontier will concurrently discharge the existing easement agreement (caveat registration number 3131227/1) from Lot 2 Plan 47727 WLTO and enter into and register against Lot 2 Plan 47727 WLTO, at no expense to the City, an

appropriate easement agreement in favour of the City for the WM Works and existing infrastructure crossing Lot 2 Plan 47727 WLTO, all to the satisfaction of the City. A Plan of Easement, prepared for Frontier at Frontier's sole expense and at no cost to the City, will need to accompany the new easement agreement if the new easement is not to apply to all of Lot 2 Plan 47727 WLTO. The new easement agreement will need to be registered prior to the City's release of any letters of credit provided by Frontier to the City for Frontier's obligations in the Agreement for Services.

e. The Project Manager will inspect the WM Works on behalf of the City while the WM Works are taking place.

f. The Project Manager will, in a timely manner after the date of substantial completion of the WM Works which in any case must not exceed three months after that date, provide the City with record drawings of the WM Works.

Approved:

"Original signed by G. Jasper, P. Eng."
for the City's Director of Planning, Property and Development

Approved:

"Original signed by M. Gajda, P. Eng."
for the City's Director of Water and Waste

Reviewed and Certified as to Form:

"Original signed by James Carter, Solicitor"
for the City's Director of Legal Services and City Solicitor

Understood and Agreed by:

FRONTIER ACQUISITION INC.

Witness *(signature)*: [signature]

Name *(print)*: JEFF HARRYLOCK

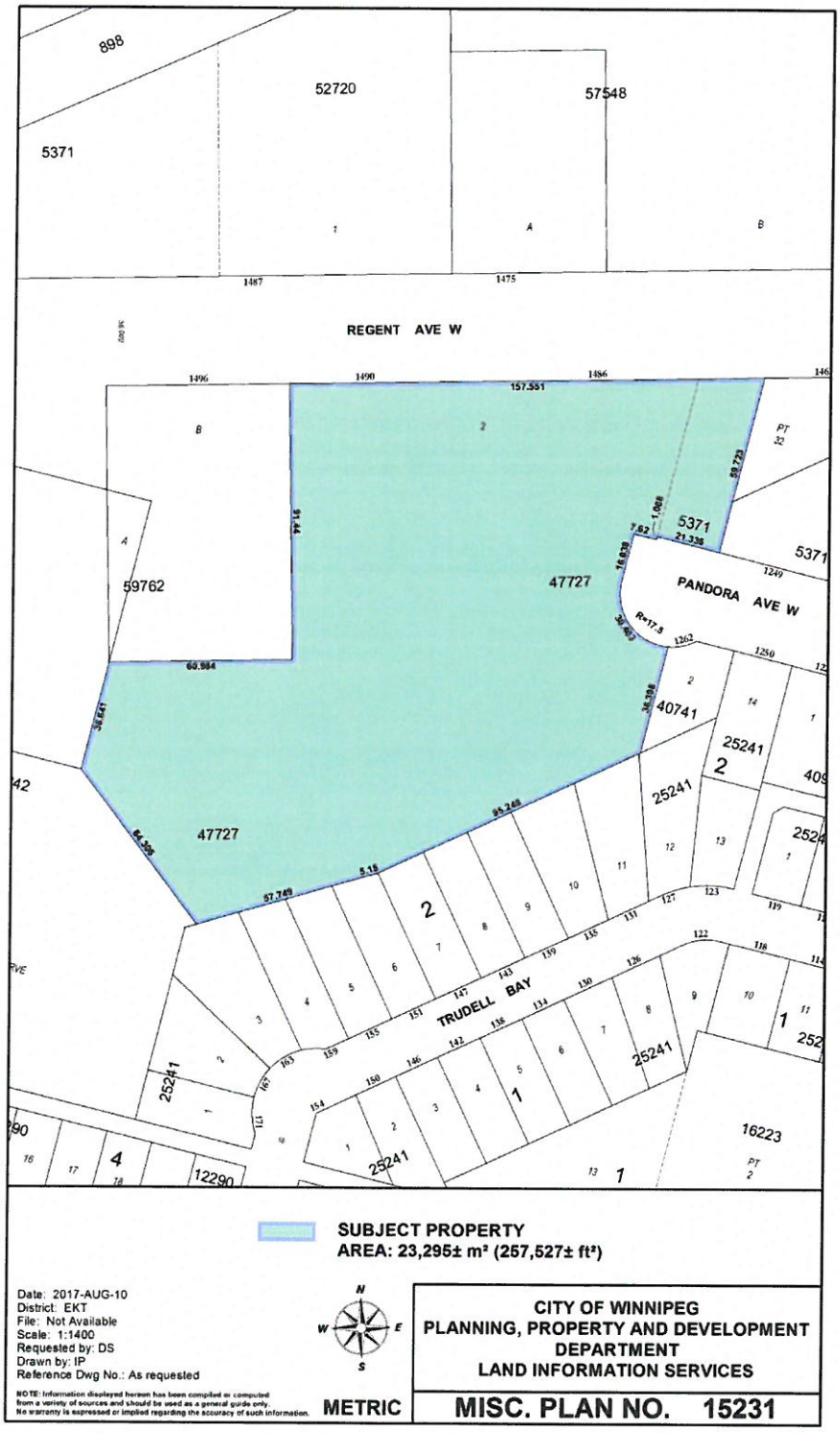
Address (print) 100-405 PORT WHYTE WAY OAKBLUFF

Per *(signature)*: [signature]

Name *(print)*: W B HARBOTTLE

Title *(print)*: PRESIDENT

Schedule "A"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REGENT AVE W
PANDORA AVE W
TRUDELL BAY
59762
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16223
12290
SUBJECT PROPERTY
AREA: 23,295± m² (257,527± ft²)
Date: 2017-AUG-10
District: EKT
File: Not Available
Scale: 1:1400
Requested by: DS
Drawn by: IP
Reference Dwg No.: As requested
NOTE: Information displayed hereon has been compiled or computed from a variety of sources and should be used as a general guide only. No warranty is expressed or implied regarding the accuracy of such information.
METRIC
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPARTMENT
LAND INFORMATION SERVICES
MISC. PLAN NO. 15231