The following sets out the business terms and conditions under which North Portage Development Corporation ("**NPDC**") would be willing to sell to True North Real Estate Development Limited ("**TN**") the lands comprising Portage Place Shopping Centre and the interest of NPDC in the Portage Place parking structure sublease as hereinafter described. These business terms would form the basis for the negotiation of an Option to Purchase Agreement (the "**Option Agreement**") and, if the option is exercised, an Agreement of Purchase and Sale (the "**APS**") between NPDC and TN.

1. The Properties:

The freehold interest of NPDC in the lands known as 393 Portage Avenue, Winnipeg, together with the subleasehold interest of NPDC in the East Tower Air Rights Pad and in the Parking Structure Sublease, as set out in Schedule "A" attached hereto (the "**Properties**").

2. Purchase Price:

The total purchase price for the Properties shall be not less than $34,500,000 which, subject to adjustments in the APS referred to below, will be paid in full on closing.

3. Option Agreement:

NPDC and TN shall enter into an option to purchase agreement on terms acceptable to NPDC and TN each in its sole discretion, which will include the following terms:

(a) TN shall be granted an option to purchase the Properties (the "**Option**") exercisable during the period beginning on the later of January 1, 2023, and the date that the option agreement is signed, and ending on December 31, 2023 (the "**Option Period**");

(b) during the Option Period, TN shall engage in a stakeholder and community engagement and review process as determined by TN with respect to its proposed redevelopment of the Properties; and

(c) during the Option Period, NPDC shall not list or market the Properties for sale.

If TN reasonably believes prior to the expiry of the Option Period that it does not intend to exercise the Option, it will provide notice of termination of the Option Agreement to NPDC.

4. NPDC Conditions

The obligation of NPDC to complete a sale of the Properties shall be conditional upon the satisfaction or waiver of the following conditions (to be satisfied on or before the execution of an agreement of purchase and sale referred to herein or to be conditions within an agreement of purchase and sale):

(a) obtaining the consent of the shareholders of NPDC to the transaction contemplated under the agreement of purchase and sale;

(b) obtaining the consent of the board of directors of NPDC to the transaction contemplated under the agreement of purchase and sale;

(c) confirmation that TN has undertaken a stakeholder and community engagement and review process as determined by TN with respect to the proposed redevelopment of the Properties by TN;

(d) NPDC being satisfied that TN has, contemporaneously with the closing of the purchase of the Properties, closed the purchase of the leasehold interest of Spruceland Mall Limited Partnership in the

Portage Pace Mall and its freehold interest in the land and building known as 354 Portage Avenue, Winnipeg.

5. Purchase Agreement: Upon the exercise of the Option, NPDC and TN will expeditiously negotiate in good faith the terms of the APS acceptable to each party, in its sole discretion, and to close the purchase and sale transaction.

If the parties cannot agree on an acceptable APS within 90 days following the exercise of the Option (or such longer period as the parties may agree upon), either party may terminate the negotiations and neither party shall thereafter have any liability or obligations to the other with respect to the subject matter of the Option Agreement and the Option shall be at an end.

6. Agreement of Purchase and Sale Provisions: TN will acknowledge in the Option Agreement that the formal APS will contain many other provisions than those outlined in the Option Agreement, and except for such knowledge based representations that would be customary on a sale of land of the nature of the Properties as may be included in the APS, NPDC will make no representation or warranty with respect to the condition of the Properties.

In addition, the APS will include, without limitation, the following:

(a) agreement by TN, on terms and conditions acceptable to NPDC in its sole discretion, to operate and to maintain access to the public, between the hours of 7:00 a.m. and midnight each day, or such other times agreed to by NPDC and any parties with a contractual right to access to Portage Place Shopping Centre during such hours, in and to the above ground enclosed bridges connecting the Properties to the downtown Winnipeg enclosed skywalk system (including accesses from the adjacent properties and facilities operated by Fred Douglas, Kiwanis, YM/YWCA and PTE as required under the terms of their respect leasehold interests), including the right of NPDC to cure any default of such obligation of TN;

(b) the covenant of TN to honour all parking agreements for spaces in the underground parking garage forming part of the Properties;

(c) the right of NPDC to continue to manage and operate the portion of the public road known as The Promenade (and, for certainty, situated upon those portions of the Properties described as Parcels J, K, X and Y Plan 19745, Parcel D Plan 29028 and Parcel F Plan 37555) and the obligation of TN to contribute its share of the cost to operate and manage such road on terms acceptable to NPDC and TN, each in their sole discretion;

(d) a covenant of TN to maintain an ownership interest in the Properties as a whole until the date upon which it has completed the initial phase of redevelopment of the Portage Place Mall property; and

(e) NPDC, or a subsidiary of NPDC, has the right to manage the Portage Place parkade on behalf of TN for a management fee of $50,000 per year, to be increased annually in accordance with annual increases in the consumer price index

7. TN Right to Assign: TN may, without the consent of but upon notice to NPDC, assign its rights under the Option Agreement to another person, firm, corporation or entity owned and controlled by TN and its investment partners, provided that such assignment shall not relieve TN of its obligations under the Option

Agreement or the APS. TN shall provide such evidence reasonably requested by NPDC to substantiate the ownership of any assignee.

SCHEDULE "A"
THE PROPERTIES

1. The freehold interest of NPDC in the lands legally described as follows:

   FIRSTLY: PARCEL D PLAN 29028 WLTO IN RL 1 PARISH OF ST JOHN

   SECONDLY: PARCELS J, K, L, M, N, P, Q, R, S, T, V, W, X, Y AND DD PLAN 19745 WLTO IN RL 1 PARISH OF ST JOHN

   THIRDLY: PARCEL F PLAN 37555 WLTO IN RL 1 PARISH OF ST JOHN

2. The subleasehold interest of NPDC in the East Tower Air Rights Pad legally as follows:

   A SUBLEASEHOLD ESTATE FOR 42 YEARS, 3 MONTHS AND 0 DAYS FROM THE 14TH DAY OF AUGUST, 1992 SUBJECT TO SUCH ENTRIES RECORDED HEREON, IN THE FOLLOWING DESCRIBED LAND:

   AIR SPACE PARCEL "A" PLAN 28678 WLTO IN RL 1 PARISH OF ST JOHN

   SUBJECT TO THE CONDITIONS PROVISOES AND AGREEMENTS CONTAINED IN SUB LEASE NO. 1581326 WLTO OF LEASE NO. 86-25550 WLTO.

3. An assignment of the leasehold interest of NPDC in the Parking Structure Sublease dated November 15, 1985 between Spruceland Mall Limited Partnership (as successor in interest to The Cadillac Fairview Corporation Limited) and NPDC.