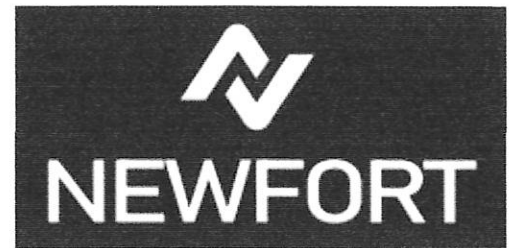


Friday, June 4, 2020



Deposit for Building Project at 814 Scott St

Town Council of Fort Frances,

We approached Cody Vangel in regard to this matter, and he directed us to submit this letter for approval.

As you know we are in the process of developing an 18 unit residential building located at the address of 814 Scott St.

Currently this project is on pause for the following reasons:

1. Building material costs have increased so much, that the overall building project increased by about 25%. We are waiting for prices to stabilize.
2. Our Manitoba construction/labour is unwilling to travel to Ontario at this time while restrictions are in place, as this would put their businesses in a vulnerable position.

We do not anticipate resuming this building project until 2022.

Currently our \$75,000 deposit we have at the town is costing us \$500 per month from one of our lending sources (\$75,000 x 8% per annum).

We formally request to have the deposit of \$75,000 returned back to us, so that we settle our borrowed account, and stop the negative cashflow and cost to our business. We would re-submit the deposit prior to resuming this project, which would expect to be in 2022.

Thank you.

George Friesen, President of Newfort Developments