

June 21, 2021

Peguis Surrender Claim Trust
Financial Trustees
Errol Wilson
Chair Financial Trustees
PO Box 942
Peguis First Nation, MB R0C 3J0

Mr. Errol Wilson,

Thank you for the written response of June 18, 2021, to Chief and Council regarding the Meadows application submitted to the Peguis Surrender Claim Trust (Surrender Trust). As you can imagine we are disappointed with the position that the Surrender Trust has taken, but fully understand the need to pursue a process for each application.

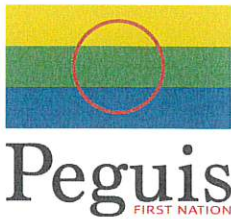
As outlined in your letter, the Surrender Trust needs to do a comprehensive review of the proposed application and to conduct a community vote for consideration and approval. You outlined that at least two to three months are required to complete the process.

In the interim the Chief and Council will pursue the original option put forward by Sharon Stevenson (the Surrender Trust Manager), regarding the Meadows opportunity. This option has the TLE Trust contributing \$ 10 million and a private financier contributing \$ 5 million towards the purchase of the Meadows. The total amount will allow the parties to close on the lands, commence work on the development and pay for associated development and land holding costs to complete the development approval process.

As you are aware these lands are a critical part of the plan to establish a traditional lender relationship. The relationship with a traditional lender will allow the negotiators to remove BFI as the community's lender and ensure the future of the community and our members.

A community meeting which will outline the facts associated with the plans, lands, housing, and future opportunities of the community is essential. It is also important to ensure all of Peguis' entities work together for the betterment of the community and that these entities do not gather wealth in silos that does not improve the lives of the members and the community.

We intend to work in tandem with the Surrender Trust on an updated application. It seems the application process and requirements are not always consistent, and as such we would request the Surrender Trust to provide a detailed outline of the process, requirements, and schedule so we can all move forward in a transparent manner.



We feel a detailed written outline of the process is important as in the June 18, 2021, letter you outlined that due diligence and presentations are required. As you know we have had multiple meetings with both the Surrender Trust and the TLE Trust, submitted detailed reports and plans and offered on multiple occasions to participate or assist in anyway necessary to move forward the application.

It is unfortunate that the application process has not allowed us to discuss in detail the options outlined on page 2 of your letter. The comments as to each option show there is still a lack of understanding from the Financial Trustees as to what Chief and Council are proposing and we will seek to provide further clarity to the Financial Trustees on any questions they may have regarding this investment opportunity.

We would like to take this opportunity to ensure the Financial Trustees that Peguis understands its obligations under the BFI general security agreement (GSA) and conducts its business with the knowledge that the BFI GSA is in effect.

Thank you again for your time and attention to this matter. We look forward to moving forward in an expeditious manner.

Yours truly,



Chief Glenn Hudson



Councillor Martin Favel

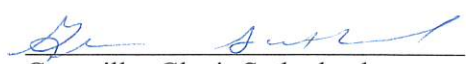


Councillor Kelvin Wilson

Councillor Wade Sutherland



Councillor Mary Tyler Bear



Councillor Glenis Sutherland

Councillor Annette Spence-Meeches