

Our File: (SK) 185086

May 18, 2022

By Email: Eric.Findlay@mnp.ca

Mr. Eric Findlay
MNP Ltd.
1801 Hollis Street, Suite 1400
Halifax NS B3J 3N4

Dear Sir:

Re: Terra Firma Development Corporation Ltd. – Division 1 BIA Proposal

We are counsel to Resort Invest International GmbH, a secured creditor of Terra Firma Development Corporation Limited (“TFDC”).

We refer to the Division 1 BIA Proposal (the “**Proposal**”) filed by MNP Ltd. in its capacity as Trustee in Bankruptcy for TFDC.

In order to assist our client in its review of the Proposal, we would be grateful if you could respond to the following:

1. Did the Inspectors in the TFDC Bankruptcy authorize and approve the filing of the Proposal by the Trustee in bankruptcy?
2. What funds are currently held by the Trustee in Bankruptcy as regards TFDC, both on deposit and/or in trust?
3. What amounts have been paid by the Trustee in Bankruptcy to date as regards municipal real property taxes owing against TFDC properties?
4. Does the Trustee in Bankruptcy intend to apply any of the funds which it currently holds as against municipal property taxes and, if not, why not?
5. What is the current total amount of the unpaid fees and expenses of the Trustee in Bankruptcy and those of its legal counsel?
6. Is it correct that the unpaid fees and expenses of the Trustee in Bankruptcy and its legal counsel are subordinate to the claims of secured creditors in the TFDC bankruptcy?

7. Is it correct that, in the event that the Proposal is accepted by creditors in its current form, the likelihood of the Trustee in Bankruptcy and its legal counsel receiving full payment for their fees and charges to date is substantially greater than would be the case under the bankruptcy?
8. How did the Proposal Trustee determine the values ascribed to the security of the various secured creditors, as set out in List "B" as appended to the Proposal?
9. Has the Proposal Trustee obtained appraisals and/or other professional valuations for the TFDC properties, and will those appraisals and/or valuations be produced in advance of the First Meeting of Creditors?
10. Which of the creditors listed in the Appendices to the Proposal does the Proposal Trustee currently consider to be "related parties" for the purposes of voting at the First Meeting of Creditors?
11. Is it correct that, pursuant to the Proposal as currently drafted, the proposed Proposal term is of indeterminate length?

Given the expedited scheduling of the First Meeting of Creditors, please provide your response by close of business on **Friday, May 20, 2022**.

We would also ask that a copy of this letter and of your response be circulated to all creditors in advance of the First Meeting of Creditors.

Yours very truly,

MCINNES COOPER


Stephen Kingston

cc: Resort Invest International GmbH