

February 24, 2009

Honourable Kevin Falcon,

On January 28, 2009 we announced that an Agreement-in-Principle with Connect BC had been reached for the delivery of the Port Mann Highway 1 (PMH1) project. During this time, both parties had every expectation of reaching a final deal.

Over the past several weeks, negotiations continued in good faith with Connect BC Development Group. Despite these proceedings, a mutually satisfactory agreement could not be reached and more time will not alter this. Therefore, I recommend that this negotiation be concluded.

Regards,



Larry Blain
CEO, Partnerships BC