

Lovsuns Tunneling Canada Ltd

July 20, 2014

Andy Bertolo

Mary Visconti

Toronto Transit Commission

York Spadina Subway Extension

5160 Yonge Street, 11th Floor

Toronto, ON

M2N 6L9

Dear Andy, Mary,

I am writing to withdraw our Letter of Intent dated Jun,26,2014 regarding to letter of intent sale of the 4 sets of TTC Tunnel Boring Machine (TBMs).

After three weeks of continued prompts, the Ministry of Commerce of the People's Republic of China has unfortunately rejected the import application for the 4 sets of TBMs, Please cancel board meeting on July23, 2014.

Lovsuns Tunneling Canada Limited is continuing to actively look for potential clients in the Asian area in hopes of the opportunity to cooperate with TTC once again.

We apologize for any inconvenience this has caused and please contact me if you have any questions.

Sincerely,

CongShan (Jeff) Guo

Sales Manager

6473032518

Lovsuns Tunneling Canada Ltd

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**PRESENTED TO
THE BOARD**

JUL 23 2014