



KPMG Inc.
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February 10, 2021

Re: Update to Stakeholders

SUMMARY OF ACTIVITIES OF THE LIQUIDATOR AND STATUS OF THE LIQUIDATION

Below is a summary of the recent material activities of the Liquidator, and general information regarding the status of the Liquidation.

Collection of Outstanding Loans by Arrangement

Payment arrangements are in place with several mortgagors, and the Liquidator has and will continue to collect instalment payments pursuant to such arrangements.

Realization of Real Property by Judicial Sale or Foreclosure

Four judicial sales of mortgaged properties have been completed and two mortgaged properties are currently listed for sale under mortgage enforcement proceedings.

Sale of Real Property Owned by Prime West

The majority of the condominiums owned by Prime West have been sold and efforts to sell the remaining two properties and associated parking units are ongoing.

Judgment Realization

Court judgments have been obtained and registered against a number of defendants in regard to unsatisfied debts, and are in the process of being enforced against those parties. There has been some recovery to date, and efforts continue.

Other Enforcement Proceedings

Enforcement proceedings are underway in respect of claims against a number of defendants. The Liquidator is anticipating that these proceedings will likely result in recovery for the Company.



Realizations Generally

A more fulsome detail of realizations to date is provided in the Liquidator's court reports.

Claims Against the Company

A number of claims have been filed against the Company in accordance with the Claims Process, including the class action lawsuit being advanced by the Merchant Law Group LLP (the "**Merchant Action**"). Proceedings regarding the Merchant Action are presently before the Court of Appeal. Further information regarding the Merchant Action and the related proceedings is available on the website of the Liquidator and, specifically, in the Second Report of the Liquidator dated November 19, 2020. The other remaining claims against the Company will be settled, if possible or, failing settlement, will be placed before the Court as soon as possible for determination.

We trust that this update to the stakeholders of the Company is helpful.

Yours faithfully,

KPMG Inc., in its capacity as liquidator
Of PrimeWest Mortgage Investment Corporation.,
And not in its personal or corporate capacity.

A handwritten signature in black ink, appearing to read 'Neil Honess'.

Neil Honess, Senior Vice President