

## REPORT OF EXEMPT DISTRIBUTION

### Issuer Information

1. Lanesborough Real Estate Investment Trust ("LREIT")  
c/o Shelter Canadian Properties Limited  
2600 One Evergreen Place  
Winnipeg, MB R3L 2T3

Mr. Arni Thorsteinson, Chief Executive Officer or Gino Romagnoli, Investor Relations, at: (204) 475-9090

2. LREIT is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba and the Northwest Territories.

### Details of Distribution

3. August 28, 2003
4. The securities being distributed are units of the trust ("Units"). LREIT has one class of units. Each unitholder is entitled to distributions if and when they are issued by the trustees or LREIT and each unitholder is entitled to one vote for every Unit held.
5. See Schedule "A" attached.
6. Total dollar values of all of the securities distributed in each Canadian and foreign jurisdiction where purchasers of the securities reside.

Each jurisdiction where purchasers reside	Price per Security (Canadian \$)	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Manitoba	\$4.00	\$1,831,604.00
Saskatchewan	\$4.00	\$67,000.00
Alberta	\$4.00	\$76,248.00
British Columbia	\$4.00	\$15,000.00
Northwest Territories	\$4.00	\$20,000.00
Total dollar value of distribution in all jurisdictions (Canadian \$)		\$2,009,852.00

### Commissions and finder's fees

7. The following information pertains to each person who is being compensated in connection with the distribution(s).

Full name and address of person being compensated	Compensation paid (in Canadian \$ and, if applicable, number and type of securities)	Exemption relied on and date of distribution (if applicable)	Price per share (Canadian \$)
Wellington West Capital Inc. Suite 400, 200 Waterfront Dr., Winnipeg, Manitoba.	\$140,689.64	N/A	N/A

### Certificate

On behalf of the issuer, I certify that the statements made in this report and in each schedule to this report are true.

DATED the 28<sup>th</sup> day of August, 2003.

Lanesborough Real Estate Investment Trust

Per: Ken Dando  
Ken Dando, Chief Financial Officer