



**Flight Line Enterprise, LTD.**  
**8891 Airport Road, C-7**  
**Blaine, MN 55449**  
**763-784-6400**  
**www.FlightLineLTD.com**

Dear Shareholder,

I wanted to give you a more detailed update on our project here at the Blaine airport. Enclosed you'll find a copy of our annual report. Please review it and keep for your records. I'm excited to announce that we now have an entirely new website. We gave the old site a major face lift by creating more defined pages with expanding panels. Because this project and share offering process are somewhat complex, we felt the need to lay it all out in a much more understandable format. If you have access to the internet, I strongly suggest you visit the website and contact me with your comments.

We continue to seek a partnership with an existing business in the restaurant industry for that aspect of the project. If you recall, we were contacted by food critic Kathie Jenkins from the Pioneer Press last fall and her article generated some interest by a few local owners. We feel a strong partnership will greatly aid our overall financial plan for the company. The new on site billboard continues to draw project interest as I have had to refill the information box many times since it was installed.

Our struggle with MAC (Metropolitan Airports Commission) regarding site preparation responsibilities dragged throughout all of 2010. MAC staff was very negligent to respond to phone calls and/or emails from me in attempts to resolve issues. We struggled with placing responsibility on getting the 12 acre site to a developable condition. Industry standard puts all responsibility of resolving road access, wetland and DNR issues on the land owner who wishes to sell or lease commercial property. After almost 6 years of project work and 2 years of negotiations, MAC recently informed me that their process will not fall within industry standards. Though they support the concept and still wish to lease out the site, they are not willing to do any legwork or bare any costs to bring it to a developable condition. Their arrogant attitude has caused great frustration in trying to move things forward. This approach puts more financial burden on F.L.E. for up-front costs needed to begin construction. To help relieve these initial costs, I will be submitting a new financial lease payment plan. This plan will be greatly reduced for the first few years by reflecting all costs F.L.E. has to bare in order to get the site to a developable condition. We are confined to an overall budget and need to stay within those parameters.

Thank you for your investment and continued support, if you know of anyone who may be interested in participating in the share offering, please have them contact me as soon as possible.

Sincerely,

**Craig A. Schiller – CEO/President**

A handwritten signature in black ink that reads "Craig A. Schiller". The signature is written in a cursive style with a large, sweeping flourish at the end.