General Update

February 1, 2016

Harvesting:

Mickelson is logging and hauling on block W11 up the Westridge. Wood has been sold to Carrier as part of large tender. This block is planned to help VGD develop their ski runs. The planned ski runs will not be clearcut at this time due to VQO's and that the VGD master plan is not approved.

Robson Valley Timber Corp. is finished logging for the winter for VCF.

R Smith Logging Ltd. is logging a small patch of large diameter cedar at 5km on the Westridge ML. Wood delivered to Cedar Valley Holdings Ltd.

Roads:

David Craig is building the winter roads in W11. We required David to minimize ground disturbance and use as much snow as possible so that when snow and ice melts there will be very little site disturbance. This was requested by VGD.

Mill Site:

The Green by Design on a Memorandum of Agreement is with VCF lawyers to turn it into a legal document. I've also asked the VCF lawyer to look at our fibre agreement and amend into something specific to Green by Design. We need to start work on a lease agreement. VCF staff has examples that we can use for a starting point. This document will go to our lawyer as well and hopefully come out with a lease document that we can use for all tenants. Our lawyers have been slow to start on this project because they have been tied up with the Carrier Deal.

Reimer Insurance has been contracted to work on a general lease agreement for the mill site.

Planning/Other:

Ecora is working on the timber typing portion of the inventory project. The project is on schedule to be completed late winter to early spring.

Silviculture:

VCF staff has started RESULTS reporting to the government.

Other:

The cut control numbers for 2015 has been finalized. VCF has cut 62,053.6m3 during the 2015 season which runs from January 1 to Dec 31, 2015. Our AAC uplift is now complete and we are back to 33,000m3/year.