

## General Update

March 2, 2016

### **Harvesting:**

Mickelson has completed logging of block W11. Hauling should be complete by March 8. We have decked 50-60 loads of Sx in the VIP yard as Carrier's yard has filled up and they are running low of cash to deck wood. This wood in the VIP yard will be hauled to PG in the spring.

R Smith Logging Ltd. has completed logging a couple small patches of large diameter cedar at 3 & 5km on the Westridge ML. 23 loads of cedar leading volume have been delivered to Cedar Valley Holdings Ltd.

### **Roads:**

We have started deactivating roads in W11. All roads will be deactivated as we move down the block.

### **Mill Site:**

1. The Green by Design draft Memorandum of Understanding (MOU) is complete and with their lawyers. Starting to talk lease and fibre rates.
2. A draft Borealis geothermal MOU is with VCF for review.
3. A draft Valemout Glacier Destinations MOU is with VCF for review.
4. Cedar Valley Holdings (Jason Alexander) has submitted a proposal to set up on the VIP. We are working through details.
5. The cant mill is going to submit ideas/proposal soon. They want to set up in the yard and get a long term fibre agreement with us.
6. VCF lawyers has been contracted to work on a general fibre agreement for Green by Design. This fibre agreement will be used as a template for any manufacturers who want to set up in yard and want fibre from us.
7. Reimer Insurance has been contracted to work on a general lease agreement for the mill site.
8. VCF has a meeting with NDIT on March 3 to talk grants for VIP yard infrastructure. A CBT meeting will be set up to follow in the near future.

### **Planning/Other:**

The inventory project is on schedule to be completed by June. We have started the process of completing a TSR on Hemlock leading stands in both Comfor's. We hope to get a secondary AAC for both Comfor's targeting grade 4 hemlock targeted for a pellet plant.

VCF staff has been walking areas in the new Comfor for future blocks. Greenstar has been contracted to start layout on Canoe Mtn with more blocks to follow.

### **Silviculture:**

VCF staff is working on RESULTS reporting to the government and making good progress. March 31 is the gov deadline to submit all 2015 and winter 2016 activities.

### **Other:**

We challenged the property tax assessment for the VIP. There was fencing and the rail spurs that showed a value around \$150,000. We told them that there is no fencing and that the rail spur is a tear down. They accepted our request and deleted the \$150,000 value.