

General Update

June 2, 2016

Harvesting:

The summer harvesting plan has been completed with the bids in from the tender. VCF staff is working on awarding the contracts. Three tenders: SPF (37,000m³), Cedar (7000m³) and Douglas Fir (5000m³). We plan to start harvesting around June 6.

Roads:

Dave Antoniuk has been contracted to grade the Westridge and Dave Henry as soon as weather permits.

Cliff Jackman has been contracted to upgrade the West Canoe FSR to 35km.

We are laying out road deactivation prescriptions up the Packsaddle.

VCF staff is working on a plan to upgrade West Canoe to 50km and other road projects for pre development. We have 7 roads pre developed but will be using up 4 of them this year.

Mill Site:

1. Green by Design MOU, Lease and fibre agreements signed by GBD. Waiting for VCF board final review.
2. Borealis geothermal MOU has been signed with a grant application submitted.
3. Cedar Valley Holdings (Jason Alexander) MOU is underway.
4. The cant mill is waiting patiently to begin talks.
5. Mike Widdell has approached VCF with the hope of moving his post operation to the VCF yard and to enter into a fibre agreement with VCF. We will continue this process.

Planning/Other:

The inventory project is on schedule to be completed by end of June. The TSR work will follow and is expected to be completed in August. VCF has submitted a NDIT-Competitive Consulting Rebate application for \$37,000 for a Timber Supply Analysis.

The FSP and CP for K5Q should be approved sometime mid-June.

5 blocks have been awarded to Greenstar for layout and development concentrating on pine areas. Optimum Resources has been awarded road layout and survey of a large gully that would access the Carrier developed blocks up the Dave Henry. The roads in these blocks have been pre built and are 18,000m³ of SxBI 100% cable harvesting. This area is now VCF wood post CLL deal.

Silviculture:

Tree planting has been completed for season. We are reviewing deliverables

A regen survey plan for the fall is now priority.

VCF staff will review aspen area in our blocks this summer/fall for possible treatment next year.

Other:

CBT- VCF Presentation at the CBT Board of Directors meeting.