VIP LP - General Update

January 11, 2021

Existing Lease Agreements:

CVH (12 Acres): Business as usual. Hauling in wood from the West Canoe.

Trans Mountain (30 Acres): Business as usual.

Trans Mountain Camp (35 Acres): Active. Waiting for first hydro bill.

Treasures of the Forest (1.2 Acres): Quiet

BC Stone Corp (3 Acres): Quiet for winter.

Robson Valley Gourmet Mushrooms (0.2 Acres): Active

Dunkley (10 Acres): No Activity

Remcan (2 acres): No Activity

Veggie Container (0.2 acres+/-): Waiting for C-Can to be delivered. Est late March

Telus (1 acre): Telus working through regulatory Process. Looking to relocate location of tower as per

Regional District

Simpcw FN (7 acres): No Activity. We are invoicing them as per their request.

VCF LP (Office, Maintenance Yard, scales and scale yard): Lease agreement signed.

Sort Yard:

Building inventory through clean-up loads. Will haul out loads as volume gains. All oversize Sx is being hauled into yard. Will sort for piano, Fuso and Dunkley wood.

Other:

Trans Mountain is still planning to upgrade the VIP water reservoir. Upgrade is planned for next spring.

Grants:

Searching for grants for an office renovation and environmental assessment for CN lease area.

COVID:

There has been a positive COVID case at the CVH Ltd mill. Sounds like it was handled well and there are no further cases. An employee at Monashee has also had a positive COVID case. The office has been shut down to all non staff.

Mill Construction Update:

All main components are installed with the exception of the following:

- Chip bins (Planned for spring) Chip bins and conveyor are in the yard. Cement pad poured.
- Air compressor: Need to figure out what we need and purchase
- Dust system: Engineer is working on dust plan. This plan will explain what needs to be installed. We have purposely placed the electrical controls, debarker and chipper outside of the building to limit the dust. Only the head rig, cut off saw, trim saws and edger produces dust.
- After building is set up, we will need to build a ramp for loader access to log infeed deck.

Building:

- Building contractor is on site and installing building. ¾ of walls and roof are installed. We are waiting on a couple of beams for the NW corner that had to be modified.

Electrical:

- Station transformer is ordered and should be here late February.
- Electricians are expected to start work in C-Can and inside mill this week.

Hydraulics:

- Headrig is very close to complete
- Will start on Debarker next
- Two small units for cutoff saw and edger required. We have these units from purchase. They need to be gone through and made ready for install.

General:

- Crew has been reduced to 5 people
- Darren and Sam, VIP LP employees remain as is.
- Crew working on Edger and other projects.
- At start of next shift, Allan, Ben and VIP will meet and make up a plan outlining all projects left to complete and a time line to complete.
- In talks with marketing companies there is a strong market for timbers and cants.
- Electricians and Hydraulic contractor are waiting for building to be completed to start work inside.