

VIP LP - General Update

July 8, 2021

Existing Lease Agreements:

CVH (12 Acres): Business as usual.

Trans Mountain (30 Acres): Business as usual.

Trans Mountain Camp (35 Acres): Active. Received first Hydro Bill, \$220,000. We paid bill and invoiced Trans Mountain which they paid promptly.

Treasures of the Forest (1.2 Acres): Active

BC Stone Corp (3 Acres): Active

Robson Valley Gourmet Mushrooms (0.2 Acres): Active

Dunkley (10 Acres): No Activity

Remcan (2 acres): No Activity

Veggie Container (0.2 acres+/-): Active

Telus (1 acre): Telus working on plan to construct this summer/fall.

Simpcw FN (7 acres): Actively hauling into yard. Concerns over fire hazard from CVH. Working with SRG and Trans Mountain to grind soon.

VCF LP (Office, Maintenance Yard, scales and scale yard): Business as usual.

TM Fallers (Room in Maintenance shop): Active

Robson Design Build Ltd. (2 acres): Lease agreement complete.

Other:

Trans Mountain is still planning to upgrade the VIP water reservoir. Upgrade is planned for spring. Potentially found two water sources near mill and along Cedarside Road. We will test one area soon and look at options.

Grants: Searching for grants for an office renovation.

COVID: Business as usual

Mill Construction Update:

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

- Chip bins: **Done**
- Air compressor: **Done**
- Dust system: Waiting on engineering and estimates to make a call.
- Log infeed deck: **Working on it. Close**

Building:

- Building is complete.
 - o **Waiting on certification.**

Electrical:

- **BC Hydro has hooked mill up to grid. Waiting to turn on power.**
- Swift Current Services electricians making good progress.
- **All control components/soft starts are installed in C-Can.**

Hydraulics:

- Headrig waiting for main power to complete
- Debarker waiting for main power to complete
- Edger waiting for air and hydro to complete.
- Cut off saw Hydraulics unit upgrade complete.

General:

- **4-U-All Crew has been reduced to 3 people**
- Darren and Sam, VIP LP employees remain as is.
- Crew working on guarding and conveyor sheeting in.
- General Plan is to **power up mill in mid July** and start testing each piece of equipment. When we are satisfied that the mill will function, we can organize start-up.
- We can hot log wood into the mill June targeting wood types for specific markets.
- 50-60 loads of logs at mill site targeted for mill
- Starting to work with chip markets. Canfor, Domtar are main targets but there are others.