VIP LP - General Update

August 6, 2021

Existing Lease Agreements:

CVH (12 Acres): Business as usual.

Trans Mountain (30 Acres): Business as usual.

Trans Mountain Camp (35 Acres): Active.

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. Grinder in Yard working at piles.

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): Quiet

Other: Water reservoir project confirmed by TM.

Grants:

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: Done

Building:

- Building is complete.

O Waiting on certification. Need to install exit signs, back ordered.

o Engineer is happy with construction.

Electrical:

BC Hydro has hooked mill up to grid. Waiting to turn on power.

- Electricians in the mill are making slow progress. Manpower directed towards project is one or two per day at best.
- Electrical up to mill is complete.
- 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 August and start testing each piece of equipment.
 When we are satisfied that the mill will function, we can organize start-up.
- 50 loads of Hemlock and spruce logs at mill site targeted for mill
- Sold spruce and fir logs to Dunkley that were destined for VIP Mill.
- Canfor and Domtar are main targets for chip markets.