

## Valemount Industrial Park Limited Partnership

### 2021 Financials:

- We have a total revenue of \$750,000
- Total expenses of \$827,000
- Total net **loss** for 2021 of \$77,608
- Total net **earnings** for 2020 of \$395,746
- In 2021 we had more revenue than in 2020 but completed more work on infrastructure. The property taxes jumped from \$18,000 to \$96,000. We had 2 full time employees which jumped wages.
- We expect the property taxes to take another large jump in 2022.

### 2021 Highlights:

- As of May 2022, there are 14 lease holders in the VIP industrial lands.
- Trans Mountain, Clearstream, CVH Ltd, Remcan, Robson Design, BC Stone, Treasures of the Forest, Telus, Simpcw FN, Marcon, RV Gourmet Mushrooms, Veggie container, VCF LP and VCF/VIP Mill.
- Over the winter of 2021/22 we had an additional 3 leasees: Downie Timber, Canfor and TM Fallers. These are leases have now expired.
- In partnership with Trans Mountain and Telus we have fibre optics in the yard and will be hooked up to the VCF office spring 2022.
- Working with Trans Mountain to re-establish the yard fire fighting reservoir. This reservoir will act as the hub for fire protection for the yard. The project is roughly ½ completed at this time with the remainder of the work to be completed this spring/summer.
- VCF utilized the yard and scales this year as a reload yard and specialty wood decking area. We are finding it very useful to have clean up loads brought into the yard that we can sort out and sell to local mills.
- We have aggressively been fighting Knapweed which is an invasive species that dominated the industrial lands when we purchased the site. We are very proud that the weed is under control and that the grasses and other plant species are now flourishing. We will have an annual plan to monitor and take action when needed.
- We are continually working on infrastructure in the yard in attempts to build and create industry.
- We are continuing to research ways to deal with the waste fibre in the area. This issue is holding us back from setting up more manufacturing in the yard. Currently, it's a major cost to haul waste to a larger center which makes manufacturing in Valemount very difficult.
- We needed the VIP mill to be in operation to produce waste fibre. With this fibre in addition the waste fibre CVH Ltd produces we hope to be able to attract a fibre industry project. Supplying a fibre plant with logs as its base does not work due to high cost of logs, you need mill waste.

#### VIP Mill

- The VIP mill is set to start full time operation very soon.
- We started working on the mill May 2020 and have been steadily working on it ever since. This project is much larger than I anticipated and has cost much more than planned. The cost of the mill is closing in on \$6 million dollars.
- This mill will produce specialty orders, timbers and cants.
- All waste fibre will be separated into hog fuel, pulp chips and sawdust. We have markets for all this fibre and a profit at this time. There will be no burning of waste.
- The mill production will start slowly as we test the equipment. When running at full capacity we expect roughly 10 people employed to start.
- We hope that we have built a mill that will run long term, create steady high paying local jobs, to mill local wood and create new spin off industry.

#### Staff:

- The VIP LP is managed by the VCF LP staff and board of directors.
- The VIP has three direct staff members that are on full time employment helping to construct and operate the mill. The three are Samantha Piper, Darren Battensby and Darrell Battensby.
- Claudia Frost has been contracted to complete the financials for the company.
- Steve Mitchell is our mill manager with tons of experience.
- We have local and out of town contractors regularly coming to work on mill.
- As soon as we are comfortable with mill production and operations, we will need more local employees.