VIP LP - General Update

September 8, 2022

Existing Lease Agreements:

CVH (12 Acres): Business as usual.

Trans Mountain Pipe yard (30 Acres): Active.

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

Remcan (2 acres): No Activity

Learning Center (0.2 acres+/-): Active.

Telus (1 acre): Telus has started construction.

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

Marcon Inc (Shop): Active

AAA Logging Ltd (1 acre): AAA has moved a one trailer camp into VIP. VIP has set up an underground septic tank and installed a new hydro pole, transformer and hook up.

JV Logging (1.5 acres): Moving a temporary camp into yard for 1-32 months. Camp is self sufficient. VIP spent no capital in camp set up.

Other:

Hydro pole and transformers have been installed for water pump house. The hydro lines are not connected to the pumphouse yet.

Rodgers has expressed interest in adding a cell tower in the yard. I have given them a site and they have accepted. They will send information and move to send out public referrals.

Telus has agreed to supply fibre optics to the VCF office. We are now working with them on a written commitment. They are needing us to sign a document that allows them to install fibre optic lines on VIP poles. Waiting to sign both documents at once.

Mill Construction Update:

General Update:

- Dust system: An engineer specializing in mill dust systems toured mill. Would like to see mill
 in operation before making plan. Crew working on minimizing dust issues before we look at a
 dust system.
- We have installed a small dust system for the debarker which has helped but not solve the problem.

Building:

- Building is complete.
 - Waiting on certification.
 - Engineer is happy with construction.

Projects:

- Working on tweaking the chip bins to allow them to fully fill. Plan to start project Sept 19 for a roughly 10 day shutdown.

General:

- VIP Staff: Darren, Sam, Darryl and Bernard.
- VIP Contractor Staff: Al, Rob and Mike (electrician).

Marketing Updates:

- We have signed a 1 year chips and hog fibre agreement with Kruger out of Kamloops.
- Local farmers Institute is taking all the sawdust.
- We have completed the 8x8 order successfully.
- We have accepted a bridge timber order due mid Oct.
- We have submitted quote for a small order of 4x6
- We will submit a quote for a bridge timber hemlock order soon.
- Working with two marketing companies

Log Inventories:

- +/-200 loads of Hemlock and spruce logs at mill site targeted for mill
- Looking to sell off +/-30 of older logs. We have too much inventory of logs of the same type. We need larger diameter logs.