

**In the matter of the alleged contravention by Rockyview Resources Ltd. and Probyn Log Ltd.  
of ss. 15 and 29 of the Private Managed Forest Land Council Regulation (B.C. Reg. 71/2014,  
July 1, 2014)**

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**DETERMINATION**

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**Introduction**

1. The Private Managed Forest Land Council<sup>1</sup> (the “Council”) is an independent tribunal established under the *Private Managed Forest Land Act* (the Act). The Council has oversight responsibilities aimed largely at ensuring that owners of private managed forest land comply with the Act and any regulations made under it.

2. 0942069 BC Ltd. doing business as Rockyview Resources Inc. (“Rockyview” or the “Owner”) is the registered owner of Managed Forest 502 (“MF 502”). Rockyview contracted with Probyn Log Ltd. (“Probyn”) to oversee all timber harvesting activities on MF 502 in 2017.

3. Following an investigation, Council staff allege that the Owner and/or Probyn contravened ss. 15 and 29 of the *Private Managed Forest Land Council Regulation* (the “Regulation”), which are copied in Appendix A. Section 15 of the Regulation requires, among other things, that an owner, or a contractor, employee or agent of the owner carrying out a primary forest activity must not cause sediment or other material to be transported to, or deposited in, a stream if that sediment or material will have a material adverse effect on fish habitat. Section 29 of the Regulation requires, an owner or a contractor, employee or agent of the owner carrying out timber harvesting activities in a cutblock adjacent to a class C stream to retain at least 15 trees within 10 m of the edge of the stream channel which meet size, species composition, and distribution specifications.

4. In a letter dated June 4, 2018 the Council provided the Owner with an opportunity to be heard before making a determination about whether they had contravened ss. 15 and 29 of the Regulation. Probyn provided a written response to Council on July 31, 2018. The Owner did not provide a written response. An opportunity to be heard was then provided to Probyn on September 25, 2018. No further information was provided by Probyn as a result. The Council conducted a written hearing on October 22, 2018.

**Issues**

5. The Council must determine:

- (a) whether there was a contravention of ss. 15 and 29 of the Regulation;

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<sup>1</sup> The Private Managed Forest Land Council operates under an abbreviated title as the Managed Forest Council.

- (b) If so, should responsibility be allocated between the Owner and Probyn and if so how; and
- (c) whether an administrative penalty should be levied and, if so, how much.

## Evidence

6. The evidence before Council consisted of: (a) the Investigation Report<sup>2</sup> prepared by Phil O'Connor, Executive Director of the Council; (b) reports by Kerley and Associates and Shawn Hamilton and Associates; and (c) Probyn's response.

7. Probyn did not dispute the factual findings set out in the Investigation Report; instead Probyn outlined the actions that are being taken to remediate the adverse impacts on fish habitat and to put measures in place to ensure future compliance with the Regulation.

## Analysis

### (a) Whether there was a contravention of ss. 15 and 29 of the Regulation;

8. Based on the uncontradicted evidence, the Council makes the following findings:

- Rockyview is the registered owner of MF 502.
- Rockyview contracted with Probyn to oversee all timber harvesting activities on MF 502 in 2017.
- As the primary contractor, Probyn was contractually responsible for all aspects of timber harvesting activities which took place within MF 502 in 2017, including compliance with safety operations and environmental requirements.
- Probyn entered into three subcontracts with Fearless Log Salvage Ltd., Ray Boyd Logging Ltd. and Buttle Lake Resources Ltd. to conduct timber harvesting operations under its direction and supervision as prime contractor. Probyn and its three subcontractors conducted extensive harvesting operations on MF 502 in 2017.
- Primary forest management activities contravened retention requirements under s. 29 of the Regulation in relation to the following stream reaches over 100 meters long:
  - Stream 7 associated with EF001 (5 trees removed in contravention of the minimum required)
  - Stream 9a associated with EF002 (4 trees removed in contravention of the minimum required)
  - Stream 9 (west) associated with EF004 (15 trees removed in contravention of the minimum required)
  - Stream 9 (east) associated with EF004 (5 trees removed in contravention of the minimum required)
  - Stream 10 associated with EF005 (15 trees removed in contravention of the minimum required)

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<sup>2</sup> Investigation Report – Riparian Retention on Class C Streams Associated with 0942069 BC Ltd (Owner) 2107 Timber Harvesting Activities within Managed Forest # 502, Investigation INV 1709, March 2018

- Primary forest management activities caused a material adverse effect to fish habitat as a result of logging slash and debris deposited in the following streams contrary to s. 15 of the Regulation:
  - Stream 9a associated with EF002
  - Stream 9 associated with EF004
  - Stream 9c associated with EF004

9. Council finds the Owner and Probyn have contravened s. 15 of the Regulation by causing a material adverse effect to fish habitat on Streams 9a, 9, and 9c, and have contravened S. 29 of the Regulation by failing to maintain sufficient trees in the riparian area adjacent to Streams 7, 9a, 9 west, 9 east, and 10.

10. The failure to maintain required minimum retention of riparian trees and deposition of logging debris in these areas has been assessed as having a material deleterious effect on fish habitat. The assessment by Shawn Hamilton, a Registered Professional Biologist with extensive experience with fish habitat biology, indicates the area impacted has high importance as habitat for salmonid fish.

**(b) Should responsibility be allocated between the Owner and Probyn and if so how;**

11. The next question is whether responsibility should be allocated between the Owner and Probyn and, if so, how it should be allocated.

12. Probyn had the primary responsibility for planning and implementing timber harvesting operations on MF 502 in 2017. This responsibility included supervision of subcontractors and employees. There is no evidence that Rockyview undertook any supervisory actions with respect to Probyn's fulfillment of its contractual obligations.

13. The primary contract with Rockview identifies Probyn as the 'prime contractor' responsible for occupational health and safety under the *BC Workers Compensation Act* and compliance "with all applicable laws, including environmental rules, regulations, policies and procedures as promulgated by federal, provincial and municipal governments"<sup>3</sup>.

14. Section 29 of the Act sets out the following defenses which are available to a person where a contravention has been established:

29 For the purposes of a determination of the council under sections 26 and 27, a person must not be found to have contravened a provision of this Act or the regulations if the person establishes that:

- (a) the person exercised all due diligence to prevent the contravention,
- (b) the person reasonably and honestly believed in the existence of fact that if true would establish that the person did not contravene the provision, or
- (c) the person's actions relevant to the provision were the result of officially induced error.

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<sup>3</sup> P. 1 of the Prime Contractor Designation Agreement signed by Rockyview and Probyn on February 6, 2017.

15. The Owner and Probyn did not provide any evidence of due diligence that would establish this defense. Moreover, in the case of *R. v. Gwaii Wood Products Ltd. et al.* (2015 BCPC 0292) the Court held that a “landowner cannot avoid conviction under environmental regulatory charges by relying on the defense of due diligence, even if the agreement *inter alia*, places responsibility on the contractor for environmental regulatory compliance in carrying out the work or undertaking”.

16. Although Council finds that the primary responsibility for ensuring compliance with the Regulation rests with Probyn as the prime contractor, the Owner also has an obligation under its signed Management Commitment to ensure compliance with the Regulation. No evidence was led that established that the Owner carried out reasonably diligent supervision of its primary contract with Probyn. Based on the fact that the Owner has responsibility to ensure compliance with the Regulation and there was no evidence that it conducted reasonably diligent supervision of Probyn, Council has determined that 25% of the responsibility for ensuring compliance should be allocated to the Owner. The remaining 75% of responsibility should be allocated to Probyn as the primary contractor responsible for planning and implementing the harvesting operations and overseeing the conduct of the subcontractors.

**(c) Whether an administrative penalty should be levied and, if so, how much**

17. Having found that the Owner and Probyn contravened the Regulation, the Council must consider whether or not to levy an administrative penalty under section 26(2) of the Act.

18. Section 26(2) provides that the Council may either levy an administrative penalty in an amount not exceeding \$25,000 or refrain from levying such a penalty if satisfied the contravention is trifling. When making its assessment, the Council is directed by section 26(5) to consider the following factors:

- Any previous contraventions of a similar nature
- The gravity and magnitude of the contravention
- Whether the contravention was repeated or continuous
- Whether the contravention was deliberate
- Any economic benefit derived by the person from the contravention
- The person’s efforts to remedy the contravention
- The person’s efforts to prevent the contravention
- Whether relevant forest management objectives specified in Division 1 of Part 3 of the Act are being achieved despite the contravention.

19. The Owner and Probyn have not had previous contraventions, and Probyn has fully cooperated with the Council staff in the investigation. Probyn has also recently engaged professional advice to ensure that it meets the requirements of the Regulation. While there is no evidence that the contraventions were deliberate, Council finds that the Owner and Probyn made insufficient efforts to prevent the contraventions. As protection of fish habitat on private managed forest land is a key objective under the Act, Council does not consider the contraventions to be trifling.

20. The Council has determined that this is an appropriate case to levy an administrative penalty. Council staff have estimated the economic benefit derived from the value of the timber harvested within the riparian zone that should have been left standing to meet the minimum retention requirements of s.

29 to be \$9, 294. Of this amount, it has been estimated that 63% of the benefit accrued to the Owner, and 37% accrued to Probyn. A report prepared by Council staff which summarizes how the revenue was estimated is included as Appendix B.

21. Based on that information, Council has decided to levy penalties as follows:

- \$7,500 for each of the three contraventions of s. 15 for a total of \$22,500,
- \$7,500 for each of the five contraventions of s. 29 for a total of \$37,500, and
- an additional penalty for contravening s. 29 which is calculated as three times the estimated revenue which was split between the Owner and Probyn from removing more timber from the riparian zone than allowed.

22. The following table summarizes the penalty calculations:

| Contravention                        | Penalty          | Owner            | Contractor       |
|--------------------------------------|------------------|------------------|------------------|
| <b>S. 15 Penalties</b>               |                  |                  |                  |
| Stream 9a (EF002)                    | \$ 7,500         | \$ 1,875         | \$ 5,625         |
| Stream 9 (EF004)                     | \$ 7,500         | \$ 1,875         | \$ 5,625         |
| Stream 9c (EF004)                    | \$ 7,500         | \$ 1,875         | \$ 5,625         |
| Subtotal                             | \$ 22,500        | \$ 5,625         | \$ 16,875        |
| <b>S. 29 Penalties</b>               |                  |                  |                  |
| Stream 7 (EF001)                     | \$ 7,500         | \$ 1,875         | \$ 5,625         |
| Stream 9a (EF002)                    | \$ 7,500         | \$ 1,875         | \$ 5,625         |
| Stream 9 west (EF004)                | \$ 7,500         | \$ 1,875         | \$ 5,625         |
| Stream 9 east (EF004)                | \$ 7,500         | \$ 1,875         | \$ 5,625         |
| Stream 10 (EF005)                    | \$ 7,500         | \$ 1,875         | \$ 5,625         |
| Subtotal                             | \$ 37,500        | \$ 9,375         | \$ 28,125        |
| <b>S. 29 Revenue Benefit Penalty</b> |                  |                  |                  |
| Stream 7 (EF001)                     | \$ 4,693         | \$ 2,745         | \$ 1,948         |
| Stream 9a (EF002)                    | \$ 3,297         | \$ 1,618         | \$ 1,679         |
| Stream 9 west (EF004)                | \$ 6,779         | \$ 4,175         | \$ 2,605         |
| Stream 9 east (EF004)                | \$ 4,119         | \$ 2,608         | \$ 1,511         |
| Stream 10 (EF005)                    | \$ 9,000         | \$ 6,539         | \$ 2,460         |
| Subtotal                             | \$ 27,887        | \$ 17,684        | \$ 10,202        |
| <b>Total Penalties</b>               | <b>\$ 87,887</b> | <b>\$ 32,684</b> | <b>\$ 55,202</b> |

23. Accordingly, Council orders the Owner to pay a total penalty of \$32, 684 and orders Probyn to pay a total penalty of \$55,202.

24. In addition, the Council is authorized under s. 27 of the Act to remedy a contravention by requiring an owner, or a contractor, employee or agent of the owner, to either carry out a requirement of the Act or Regulation which the owner failed to carry out or repair or mitigate the damage to private managed forest land caused by the contravention. Pursuant to s. 27, Council orders the Owner to remediate Streams 9, 9a, and 9c by removing all slash and logging debris impacting fish habitat. The Owner must prepare a remediation plan signed by a qualified registered professional and submit it to Council for approval by December 31, 2018. Once approved, the remediation plan must be implemented in a timely manner consistent with fisheries timing windows. The Owner must provide written notification to Council upon completion of the remediation works.

### **Reconsideration and Appeal**

25. Under s. 32 of the Act, the Owner and Probyn may request the Council to reconsider some or all of this Determination. Under section 33 of the Act, the Owner and Probyn may appeal this Determination to the Forest Appeals Commission.

A handwritten signature in black ink, appearing to read 'Rod Davis', with a stylized flourish extending to the right.

Rod Davis, Chair  
Managed Forest Council

November 15, 2018

## **Appendix A – Sections 15 and 29 of the *Private Managed Forest Land Council Regulation***

### **Sediment transport or deposition**

**15** An owner or a contractor, employee or agent of the owner carrying out a primary forest activity must not cause sediment or other material to be transported to, or deposited in, a stream if that sediment or material will have a material adverse effect on

- (a) fish habitat, or
- (b) water that is diverted by a licensed waterworks intake.

### **Retention of trees adjacent to class C streams**

**29** (1) An owner or a contractor, employee or agent of the owner carrying out timber harvesting activities in a cutblock adjacent to a class C stream must, on each side of every 100 m of the stream that is adjacent to the cutblock, retain at least 15 trees that

- (a) are within 10 m of the edge of the stream channel,
- (b) are 20 cm or more in diameter, and
- (c) maintain
  - (i) the same proportion of coniferous to deciduous trees as in the pre-harvest stand, and
  - (ii) the same range of sizes, for both coniferous and deciduous trees, as in the pre-harvest stand, if the gradient of the stream is 8% or less.

(2) Despite subsection (1), if fewer than 15 trees meet the criteria set out in that subsection, the owner or a contractor, employee or agent of the owner is required to retain only those trees within that area that meet the criteria in that subsection.

(3) If the stream referred to in subsection (1) has a stream gradient of more than 8%, the owner or a contractor, employee or agent of the owner must not harvest a tree selected to be retained under subsection (1) or (2) unless the owner or a contractor, employee or agent of the owner selects and retains in its place another tree that is 20 cm or greater in diameter.

(4) If the stream referred to in subsection (1) has a stream gradient of 8% or less, the owner or a contractor, employee or agent of the owner must not harvest a tree selected to be retained under subsection (1) or (2) unless the tree falls by natural causes outside the stream channel.



## MF 502 Determination Section 29 Penalty Estimate Report

August 30, 2019

This document summarizes the data and methods to calculate the sales revenue estimate used as the penalty in Council determination dated September 30, 2018 in response to the investigation into possible non-compliant activities with respect to the retention of trees as required by Section 29 of the Private Managed Forest Land Council Regulation. The following documents were utilized / generated in calculating the penalty estimates;

### Appendix B1

Scale data for both the EECIH and NECIG timber marks associated with MF # 502 was obtained from the Provinces Harvest Billing System. The scale data was collected in the reports from January 1<sup>st</sup>, 2017 to December 31, 2017.

### Appendix B2

Four separate sales estimate sheets for both domestic and export log values for each of the timber marks were produced. These sale estimate sheets were generated by Raven Forest Management Ltd.

### Appendix B3

A volume summary sheet from Kerley and Associates for the stream reaches surveyed with insufficient tree retention. The species and volume estimates in this survey were used to generate the final volumes to which the penalty was applied.

### MF 502 Penalty revenue estimate summary tables

Table 1: This table provides a breakdown of the logging phase costs associated with the 2017 timber harvesting within MF 502. Other than the Sorting / Grading / Scaling costs which were estimates from the Raven estimate sheets, all other phase costs are from the signed contract between the Agent and the Logging Contractors involved in the 2017 timber harvesting within MF 502.



## APPENDIX B

**Table 1**

Logging Phase Costs, \$ / m3

| Falling | Yarding | Loading /<br>Hauling | Sorting / Grading /<br>Scaling | Silviculture /<br>Layout | Total Phase Costs |          |
|---------|---------|----------------------|--------------------------------|--------------------------|-------------------|----------|
| \$4.25  | \$5.50  | \$7.00               | \$19.25                        | \$3.00                   | \$39.00           | Export   |
| \$4.25  | \$5.50  | \$7.00               | \$17.00                        | \$3.00                   | \$36.75           | Domestic |

Table 2: This table is a summary of the Owner revenue (\$ per m3) from its contract with the Agent by Species for both the Export and Domestic markets. Fir and the Hem/Sp/Ba species grouping were the only species tallied in the Kerley volume estimates.

**Table 2**

| Species / Market      | Owner<br>Revenue<br>\$ per m3 |
|-----------------------|-------------------------------|
| Fir Export            | \$61/ m3                      |
| Fir Domestic          | \$57/m3                       |
| Hem/Sp/Ba Export      | \$29/m3                       |
| Hem/Sp/Ba<br>Domestic | \$26/m3                       |

Table 3: This table is a summary of the Agent revenue estimates (\$ per m3) from the Raven sales estimate sheet for each Timber Mark by Species for both the Export and Domestic markets.

**Table 3**

| Species / Mark<br>NECIG (Taxable) | Agent Revenue<br>\$ per m3 |          |
|-----------------------------------|----------------------------|----------|
| Fir Export                        | \$18.93                    |          |
| Fir Domestic                      | \$20.87                    |          |
| Hem/Sp/Ba Export                  | \$28.54                    | Weighted |
| Hem/Sp/Ba Domestic                | \$2.98                     | Weighted |
| EECIH (No Tax)                    |                            |          |
| Fir Export                        | \$43.28                    |          |
| Fir Domestic                      | \$20.74                    |          |
| Hem/Sp/Ba Export                  | \$36.51                    | Weighted |
| Hem/Sp/Ba Domestic                | \$2.83                     | Weighted |

## APPENDIX B

Table 4: This table combines the revenue estimates (\$ per m3) from Tables 2 and 3 with the volume estimates from the Kerley survey in Appendix 3.

| <b>Table 4</b> | Species<br>\$ per m3 | Volume<br>m3 | Total Value       |
|----------------|----------------------|--------------|-------------------|
| EECIH          | Fd                   | 15 m3        |                   |
| Owner          | \$61.00              | 15           | \$915.00          |
| Agent          | \$43.28              | 15           | \$649.20          |
| NECIG          | Fd                   | 56 m3        |                   |
| Owner          | \$61.00              | 56           | \$3,416.00        |
| Agent          | \$20.00              | 56           | \$1,120.00        |
| NECIG          | H/S/Ba               | 57 m3        |                   |
| Owner          | \$27.50              | 57           | \$1,567.50        |
| Agent          | \$28.54              | 57           | \$1,626.78        |
|                | <b>Total</b>         |              | <b>\$9,294.48</b> |

Table 5: Table 5 is the total revenue estimate benefit generated for both the owner and agent based on the volume and revenue estimates (\$ per m3)

| <b>Table 5</b> |                   |
|----------------|-------------------|
| Owner Total    | \$5,898.50        |
| Agent Total    | \$3,395.98        |
|                | <b>\$9,294.48</b> |

Table 6: Table 6 is a breakdown of revenue estimates applied to each stream reach.

| <b>Table 6</b> |             |         |              |            |                   |
|----------------|-------------|---------|--------------|------------|-------------------|
| Stream Number  | Beneficiary | Species | Volume (m/3) | \$ per m/3 | Revenue (\$)      |
| Stream 7       | Owner       | Fd      | 15.00        | 61.00      | \$915.00          |
| Mark: EECIH    | Agent       | Fd      | 15.00        | 43.28      | \$649.20          |
|                |             |         |              |            | <b>\$1,564.20</b> |
| Stream 9a      | Owner       | H/S/Ba  | 19.61        | 27.50      | \$539.28          |
| Mark: NECIG    | Agent       | H/S/Ba  | 19.61        | 28.54      | \$559.67          |
|                |             |         |              |            | <b>\$1,098.94</b> |

## APPENDIX B

| Table 6, cont..              |             |         |              |            |              |            |
|------------------------------|-------------|---------|--------------|------------|--------------|------------|
| Stream Number                | Beneficiary | Species | Volume (m/3) | \$ per m/3 | Revenue (\$) |            |
| Stream 9 West<br>Mark: NECIG | Owner       | Fd      | 13.30        | 61.00      | \$811.30     |            |
|                              | Agent       | Fd      | 13.30        | 20.00      | \$266.00     |            |
|                              | Owner       | H/S/Ba  | 21.10        | 27.50      | \$580.25     |            |
|                              | Agent       | H/S/Ba  | 21.10        | 28.54      | \$602.19     |            |
|                              |             |         |              |            |              | \$2,259.74 |
|                              |             |         |              |            |              |            |
| Stream 9 East<br>Mark: NECIG | Owner       | Fd      | 9.20         | 61.00      | \$561.20     |            |
|                              | Agent       | Fd      | 9.20         | 20.00      | \$184.00     |            |
|                              | Owner       | H/S/Ba  | 11.20        | 27.50      | \$308.00     |            |
|                              | Agent       | H/S/Ba  | 11.20        | 28.54      | \$319.65     |            |
|                              |             |         |              |            |              | \$1,372.85 |
|                              |             |         |              |            |              |            |
| Stream 10<br>Mark: NECIG     | Owner       | Fd      | 33.30        | 61.00      | \$2,031.30   |            |
|                              | Agent       | Fd      | 33.30        | 20.00      | \$666.00     |            |
|                              | Owner       | H/S/Ba  | 5.40         | 27.50      | \$148.50     |            |
|                              | Agent       | H/S/Ba  | 5.40         | 28.54      | \$154.12     |            |
|                              |             |         |              |            |              | \$2,999.92 |
|                              |             |         |              |            |              |            |
| Total                        |             |         |              |            | \$9,295.65   |            |

PHOL



Harvest Billing System  
Mark Monthly Scaling History Report

| SP                    | PR | GR | 2017-Jan  | 2017-Feb | 2017-Mar  | 2017-Apr | 2017-May | 2017-Jun | 2017-Jul | 2017-Aug | 2017-Sep | 2017-Oct | 2017-Nov | 2017-Dec | Total     |
|-----------------------|----|----|---|----------|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| <b>DISTRICT:</b>      |    |    | <b>South Island Natural Resource District</b>   |          |           |          |          |          |          |          |          |          |          |          |           |
| <b>MARK:</b>          |    |    | <b>NECIG</b>                                    |          |           |          |          |          |          |          |          |          |          |          |           |
| FI                    | C  | MP | 0.000   | 0.000    | 0.000     | 0.000    | 4.493    | 5.052    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 9.545     |
| FI                    | H  | MP | 0.000   | 0.000    | 0.000     | 0.000    | 61.399   | 81.009   | 20.233   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 162.641   |
| FI                    | I  | MP | 0.000   | 0.000    | 0.000     | 0.000    | 141.078  | 180.675  | 95.844   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 417.597   |
| FI                    | J  | MP | 0.000   | 0.000    | 0.000     | 0.000    | 44.355   | 85.902   | 13.148   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 143.405   |
| FI                    | U  | MP | 0.000   | 0.000    | 0.000     | 0.000    | 3.616    | 7.595    | 4.195    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 15.406    |
| FI                    | Y  | MP | 0.000   | 0.000    | 0.000     | 0.000    | 0.000    | 2.097    | 0.888    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 2.985     |
| <b>MARK TOTAL</b>     |    |    | <b>MP</b>                                       | 0.000    | 0.000     | 0.000    | 0.000    | 254.941  | 362.330  | 134.308  | 0.000    | 0.000    | 0.000    | 0.000    | 751.579   |
| <b>DISTRICT TOTAL</b> |    |    | <b>MP</b>                                       | 0.000    | 0.000     | 0.000    | 0.000    | 254.941  | 362.330  | 134.308  | 0.000    | 0.000    | 0.000    | 0.000    | 751.579   |
| <b>DISTRICT:</b>      |    |    | <b>Campbell River Natural Resource District</b> |          |           |          |          |          |          |          |          |          |          |          |           |
| <b>MARK:</b>          |    |    | <b>EECIH</b>                                    |          |           |          |          |          |          |          |          |          |          |          |           |
| AL                    | W  | MP | 0.000   | 0.000    | 132.639   | 39.684   | 13.761   | 47.364   | 100.094  | 3.781    | 0.000    | 0.000    | 0.000    | 0.000    | 337.323   |
| AL                    | Y  | MP | 0.000   | 0.000    | 3.771     | 0.449    | 0.086    | 0.789    | 3.575    | 0.273    | 0.000    | 0.000    | 0.000    | 0.000    | 8.943     |
| BA                    | H  | MP | 0.000   | 0.000    | 66.802    | 12.837   | 1.580    | 14.045   | 10.665   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 105.929   |
| BA                    | I  | MP | 0.000   | 0.000    | 221.138   | 47.150   | 1.732    | 48.947   | 130.736  | 21.197   | 0.000    | 0.000    | 0.000    | 0.000    | 470.900   |
| BA                    | J  | MP | 0.000   | 0.000    | 72.471    | 31.023   | 3.677    | 33.359   | 72.162   | 0.831    | 0.000    | 0.000    | 0.000    | 0.000    | 213.523   |
| BA                    | U  | MP | 0.000   | 0.000    | 14.457    | 14.672   | 0.066    | 6.520    | 20.933   | 0.405    | 0.000    | 0.000    | 0.000    | 0.000    | 57.053    |
| BA                    | X  | MP | 0.000   | 0.000    | 3.465     | 0.934    | 0.000    | 3.619    | 5.808    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 13.826    |
| BA                    | Y  | MP | 0.000   | 0.000    | 1.476     | 0.700    | 0.000    | 0.765    | 0.028    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 2.969     |
| CE                    | H  | MP | 0.000   | 0.000    | 0.000     | 2.069    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 2.069     |
| CE                    | I  | MP | 0.000   | 0.000    | 0.000     | 12.838   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 12.838    |
| CE                    | J  | MP | 0.000   | 0.000    | 0.000     | 14.322   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 14.322    |
| CE                    | L  | MP | 0.000   | 0.000    | 0.000     | 1.115    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 1.115     |
| CE                    | M  | MP | 0.000   | 0.000    | 0.000     | 0.881    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.881     |
| CE                    | U  | MP | 0.000   | 0.000    | 0.000     | 11.254   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 11.254    |
| CE                    | X  | MP | 0.000   | 0.000    | 0.000     | 0.300    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.300     |
| FI                    | B  | MP | 0.000   | 0.000    | 2.897     | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 2.897     |
| FI                    | C  | MP | 0.000   | 0.000    | 287.659   | 103.461  | 11.685   | 53.306   | 10.196   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 466.307   |
| FI                    | H  | MP | 0.000   | 0.000    | 1,060.219 | 179.975  | 43.413   | 202.543  | 28.811   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 1,514.961 |
| FI                    | I  | MP | 0.000   | 0.000    | 2,248.825 | 590.320  | 339.644  | 334.878  | 765.529  | 67.218   | 56.668   | 0.000    | 0.000    | 0.000    | 4,403.082 |
| FI                    | J  | MP | 0.000   | 0.000    | 1,496.130 | 513.086  | 118.177  | 285.254  | 168.092  | 22.062   | 6.539    | 0.000    | 0.000    | 0.000    | 2,609.340 |
| FI                    | U  | MP | 0.000   | 0.000    | 258.929   | 110.222  | 27.973   | 30.739   | 89.603   | 34.970   | 4.798    | 0.000    | 0.000    | 0.000    | 557.234   |
| FI                    | X  | MP | 0.000   | 0.000    | 15.832    | 4.123    | 1.367    | 14.359   | 9.151    | 0.384    | 0.263    | 0.000    | 0.000    | 0.000    | 45.479    |
| FI                    | Y  | MP | 0.000   | 0.000    | 0.715     | 1.620    | 0.013    | 4.044    | 4.755    | 0.009    | 0.034    | 0.000    | 0.000    | 0.000    | 11.190    |
| HE                    | H  | MP | 0.000   | 0.000    | 101.560   | 25.258   | 13.122   | 65.927   | 8.085    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 213.952   |
| HE                    | I  | MP | 0.000   | 0.000    | 122.523   | 49.339   | 22.452   | 37.132   | 61.852   | 15.548   | 3.980    | 0.000    | 0.000    | 0.000    | 312.826   |
| HE                    | J  | MP | 0.000   | 0.000    | 481.279   | 188.851  | 66.043   | 219.564  | 86.231   | 8.001    | 3.322    | 0.000    | 0.000    | 0.000    | 1,053.291 |
| HE                    | U  | MP | 0.000   | 0.000    | 122.882   | 52.193   | 9.613    | 48.054   | 26.521   | 0.458    | 0.000    | 0.000    | 0.000    | 0.000    | 259.721   |

Runtime Filtering Parameters

Date Range: From: 2017-01-01 To: 2017-12-31  
 Region/District Harvested: Coast Area  
 Region/District Scaled: All  
 Client No/Loc: All

Species: All  
 Product: Log  
 Grade: All  
 Billing Type: Normal  
 Mgmt Unit Type:  
 Mgmt Unit No:

Report Configuration Parameters

Volume (M3): Yes Species: Yes  
 Value (\$): No Product: No  
 Value/Volume (\$/M3): No Grade: Yes  
 Volume Fraction (%): No Grouping: District and Mark

Tenure Details: Marks ( EECIH,NECIG )

## Harvest Billing System Mark Monthly Scaling History Report

| SP                 | PR | GR | 2017-Jan | 2017-Feb | 2017-Mar  | 2017-Apr  | 2017-May | 2017-Jun  | 2017-Jul  | 2017-Aug | 2017-Sep | 2017-Oct | 2017-Nov | 2017-Dec | Total      |
|--------------------|----|----|----------|----------|-----------|-----------|----------|-----------|-----------|----------|----------|----------|----------|----------|------------|
| HE                 | X  | MP | 0.000    | 0.000    | 37.917    | 8.731     | 0.356    | 14.851    | 7.999     | 2.236    | 0.000    | 0.000    | 0.000    | 0.000    | 72.090     |
| HE                 | Y  | MP | 0.000    | 0.000    | 9.203     | 0.794     | 0.094    | 3.746     | 2.351     | 0.184    | 0.000    | 0.000    | 0.000    | 0.000    | 16.372     |
| LO                 | U  | MP | 0.000    | 0.000    | 0.078     | 0.000     | 0.000    | 0.000     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.078      |
| LO                 | X  | MP | 0.000    | 0.000    | 0.000     | 0.000     | 0.000    | 0.005     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.005      |
| MA                 | W  | MP | 0.000    | 0.000    | 605.979   | 191.860   | 7.140    | 60.006    | 47.345    | 11.866   | 0.000    | 0.000    | 0.000    | 0.000    | 924.196    |
| MA                 | Y  | MP | 0.000    | 0.000    | 13.939    | 9.413     | 0.230    | 4.961     | 2.466     | 0.902    | 0.000    | 0.000    | 0.000    | 0.000    | 31.911     |
| SP                 | H  | MP | 0.000    | 0.000    | 3.990     | 1.835     | 0.000    | 5.323     | 10.712    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 21.860     |
| SP                 | I  | MP | 0.000    | 0.000    | 49.843    | 0.152     | 2.725    | 12.321    | 256.836   | 37.624   | 2.521    | 0.000    | 0.000    | 0.000    | 362.022    |
| SP                 | J  | MP | 0.000    | 0.000    | 14.240    | 34.516    | 0.348    | 20.984    | 179.958   | 10.590   | 0.000    | 0.000    | 0.000    | 0.000    | 260.636    |
| SP                 | U  | MP | 0.000    | 0.000    | 8.127     | 10.870    | 0.827    | 10.402    | 103.047   | 46.805   | 0.000    | 0.000    | 0.000    | 0.000    | 180.078    |
| SP                 | X  | MP | 0.000    | 0.000    | 5.005     | 0.746     | 0.473    | 2.033     | 17.459    | 6.590    | 0.000    | 0.000    | 0.000    | 0.000    | 32.306     |
| SP                 | Y  | MP | 0.000    | 0.000    | 1.147     | 0.720     | 0.000    | 0.523     | 12.607    | 10.943   | 0.000    | 0.000    | 0.000    | 0.000    | 25.940     |
| WH                 | J  | MP | 0.000    | 0.000    | 0.276     | 0.000     | 0.000    | 0.000     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.276      |
| WH                 | U  | MP | 0.000    | 0.000    | 1.118     | 0.000     | 0.000    | 0.000     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 1.118      |
| WH                 | X  | MP | 0.000    | 0.000    | 0.306     | 0.000     | 0.000    | 0.000     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.306      |
| <b>MARK TOTAL</b>  |    |    | 0.000    | 0.000    | 7,466.837 | 2,268.313 | 686.597  | 1,586.363 | 2,243.607 | 302.877  | 78.125   | 0.000    | 0.000    | 0.000    | 14,632.719 |
| <b>MARK: NECIG</b> |    |    |          |          |           |           |          |           |           |          |          |          |          |          |            |
| AL                 | W  | MP | 0.000    | 0.000    | 65.320    | 26.933    | 46.386   | 121.152   | 70.131    | 2.120    | 0.000    | 0.000    | 0.000    | 0.000    | 332.042    |
| AL                 | Y  | MP | 0.000    | 0.000    | 1.141     | 0.473     | 0.336    | 1.622     | 1.133     | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 4.705      |
| BA                 | H  | MP | 0.000    | 0.000    | 28.814    | 4.462     | 17.043   | 11.137    | 9.517     | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 70.973     |
| BA                 | I  | MP | 0.000    | 0.000    | 174.132   | 26.231    | 68.933   | 50.048    | 91.713    | 5.104    | 0.000    | 2.947    | 0.000    | 0.000    | 419.108    |
| BA                 | J  | MP | 0.000    | 0.000    | 62.193    | 18.169    | 12.718   | 27.831    | 35.099    | 1.595    | 0.000    | 0.469    | 0.000    | 0.000    | 158.074    |
| BA                 | U  | MP | 0.000    | 0.000    | 19.117    | 6.947     | 5.304    | 7.926     | 29.241    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 68.535     |
| BA                 | X  | MP | 0.000    | 0.000    | 6.106     | 1.087     | 0.314    | 0.334     | 2.036     | 0.596    | 0.000    | 0.066    | 0.000    | 0.000    | 10.539     |
| BA                 | Y  | MP | 0.000    | 0.000    | 0.687     | 0.964     | 0.000    | 0.000     | 3.719     | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 5.370      |
| CE                 | H  | MP | 0.000    | 0.000    | 0.000     | 52.874    | 82.693   | 298.028   | 524.463   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 958.058    |
| CE                 | I  | MP | 0.000    | 0.000    | 0.000     | 39.757    | 41.853   | 129.657   | 176.359   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 387.626    |
| CE                 | J  | MP | 0.000    | 0.000    | 0.000     | 81.511    | 156.664  | 374.118   | 860.996   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 1,473.289  |
| CE                 | L  | MP | 0.000    | 0.000    | 0.000     | 6.749     | 9.135    | 12.574    | 44.168    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 72.626     |
| CE                 | M  | MP | 0.000    | 0.000    | 0.000     | 2.329     | 3.481    | 31.724    | 32.057    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 69.591     |
| CE                 | U  | MP | 0.000    | 0.000    | 0.000     | 31.143    | 70.134   | 143.490   | 269.859   | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 514.626    |
| CE                 | X  | MP | 0.000    | 0.000    | 0.000     | 2.776     | 5.504    | 18.145    | 19.964    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 46.389     |
| CE                 | Y  | MP | 0.000    | 0.000    | 0.000     | 0.241     | 0.517    | 1.420     | 8.499     | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 10.677     |
| CY                 | X  | MP | 0.000    | 0.000    | 0.000     | 0.000     | 0.000    | 0.000     | 0.037     | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 0.037      |
| FI                 | C  | MP | 0.000    | 0.000    | 90.425    | 35.143    | 60.273   | 79.275    | 23.231    | 0.000    | 0.000    | 0.000    | 0.000    | 0.000    | 288.347    |
| FI                 | H  | MP | 0.000    | 0.000    | 105.389   | 62.625    | 147.888  | 225.415   | 68.597    | 2.310    | 0.000    | 5.209    | 0.000    | 0.000    | 617.433    |
| FI                 | I  | MP | 0.000    | 0.000    | 155.195   | 232.472   | 760.505  | 1,519.387 | 1,181.859 | 68.664   | 0.000    | 79.934   | 0.000    | 0.000    | 3,998.016  |
| FI                 | J  | MP | 0.000    | 0.000    | 197.809   | 101.224   | 288.602  | 478.205   | 430.932   | 9.359    | 0.000    | 19.433   | 0.000    | 0.000    | 1,525.564  |
| FI                 | U  | MP | 0.000    | 0.000    | 31.083    | 38.518    | 99.287   | 118.170   | 53.499    | 19.831   | 0.000    | 6.170    | 0.000    | 0.000    | 366.558    |
| FI                 | X  | MP | 0.000    | 0.000    | 2.559     | 2.758     | 14.048   | 14.856    | 10.540    | 0.086    | 0.000    | 0.863    | 0.000    | 0.000    | 45.710     |
| FI                 | Y  | MP | 0.000    | 0.000    | 0.055     | 0.486     | 3.973    | 3.558     | 2.010     | 1.738    | 0.000    | 0.035    | 0.000    | 0.000    | 11.855     |

**Runtime Filtering Parameters**

Date Range: From: 2017-01-01 To: 2017-12-31  
 Region/District Harvested: Coast Area  
 Region/District Scaled: All  
 Client No/Loc: All

Species: All  
 Product: Log  
 Grade: All  
 Billing Type: Normal  
 Mgmt Unit Type:  
 Mgmt Unit No:

**Report Configuration Parameters**

Volume (M3): Yes  
 Value (\$): No  
 Value/Volume (\$/M3): No  
 Volume Fraction (%): No  
 Species: Yes  
 Product: No  
 Grade: Yes  
 Grouping: District and Mark

Tenure Details: Marks ( EECIH,NECIG )



Harvest Billing System  
Mark Monthly Scaling History Report

| SP             | PR | GR | 2017-Jan | 2017-Feb | 2017-Mar | 2017-Apr  | 2017-May  | 2017-Jun  | 2017-Jul  | 2017-Aug  | 2017-Sep | 2017-Oct | 2017-Nov | 2017-Dec | Total     |            |
|----------------|----|----|----------|----------|----------|-----------|-----------|-----------|-----------|-----------|----------|----------|----------|----------|-----------|------------|
| HE             | F  | MP | 0.000    | 0.000    | 0.000    | 0.000     | 0.000     | 2.432     | 0.000     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 2.432     |            |
| HE             | H  | MP | 0.000    | 0.000    | 24.732   | 9.110     | 231.846   | 331.856   | 194.921   | 1.428     | 0.000    | 17.100   | 0.000    | 0.000    | 810.993   |            |
| HE             | I  | MP | 0.000    | 0.000    | 103.866  | 36.761    | 191.069   | 271.678   | 182.817   | 0.000     | 0.000    | 42.833   | 0.000    | 0.000    | 829.024   |            |
| HE             | J  | MP | 0.000    | 0.000    | 65.134   | 82.213    | 677.578   | 971.591   | 746.165   | 2.598     | 0.000    | 10.495   | 0.000    | 0.000    | 2,555.774 |            |
| HE             | U  | MP | 0.000    | 0.000    | 27.582   | 31.720    | 130.577   | 250.826   | 208.710   | 0.161     | 0.000    | 1.124    | 0.000    | 0.000    | 650.700   |            |
| HE             | X  | MP | 0.000    | 0.000    | 22.487   | 6.536     | 28.435    | 41.512    | 57.692    | 0.064     | 0.000    | 1.161    | 0.000    | 0.000    | 157.887   |            |
| HE             | Y  | MP | 0.000    | 0.000    | 3.036    | 2.123     | 5.406     | 9.581     | 9.892     | 0.000     | 0.000    | 1.940    | 0.000    | 0.000    | 31.978    |            |
| LO             | J  | MP | 0.000    | 0.000    | 0.000    | 0.000     | 0.000     | 2.877     | 0.000     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 2.877     |            |
| LO             | U  | MP | 0.000    | 0.000    | 0.000    | 0.000     | 0.000     | 0.509     | 0.000     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 0.509     |            |
| LO             | X  | MP | 0.000    | 0.000    | 0.304    | 0.000     | 0.000     | 0.000     | 0.000     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 0.304     |            |
| LO             | Y  | MP | 0.000    | 0.000    | 0.165    | 0.000     | 0.000     | 0.000     | 0.000     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 0.165     |            |
| MA             | W  | MP | 0.000    | 0.000    | 534.172  | 99.323    | 7.548     | 39.400    | 64.021    | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 744.464   |            |
| MA             | Y  | MP | 0.000    | 0.000    | 13.247   | 0.470     | 0.000     | 1.567     | 6.638     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 21.922    |            |
| SP             | H  | MP | 0.000    | 0.000    | 0.000    | 20.026    | 24.869    | 144.559   | 101.700   | 1.829     | 0.000    | 0.000    | 0.000    | 0.000    | 292.983   |            |
| SP             | I  | MP | 0.000    | 0.000    | 64.003   | 149.222   | 97.603    | 286.342   | 411.198   | 14.605    | 0.000    | 10.933   | 0.000    | 0.000    | 1,033.906 |            |
| SP             | J  | MP | 0.000    | 0.000    | 18.640   | 150.331   | 108.234   | 251.018   | 290.684   | 6.511     | 0.000    | 0.000    | 0.000    | 0.000    | 825.418   |            |
| SP             | U  | MP | 0.000    | 0.000    | 11.671   | 79.071    | 64.746    | 123.946   | 161.257   | 3.821     | 0.000    | 0.000    | 0.000    | 0.000    | 444.512   |            |
| SP             | X  | MP | 0.000    | 0.000    | 6.332    | 13.812    | 20.801    | 44.915    | 58.066    | 0.294     | 0.000    | 0.000    | 0.000    | 0.000    | 144.220   |            |
| SP             | Y  | MP | 0.000    | 0.000    | 4.402    | 7.549     | 2.847     | 47.055    | 71.278    | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 133.131   |            |
| SP             | Z  | MP | 0.000    | 0.000    | 0.000    | 0.000     | 0.000     | 0.000     | 0.166     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 0.166     |            |
| WH             | I  | MP | 0.000    | 0.000    | 0.000    | 0.000     | 0.000     | 0.000     | 2.014     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 2.014     |            |
| WH             | J  | MP | 0.000    | 0.000    | 0.000    | 0.000     | 0.000     | 0.646     | 2.179     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 2.825     |            |
| WH             | U  | MP | 0.000    | 0.000    | 0.000    | 0.000     | 0.000     | 0.690     | 0.523     | 0.000     | 0.000    | 0.000    | 0.000    | 0.000    | 1.213     |            |
| MARK TOTAL     |    |    | MP       | 0.000    | 0.000    | 1,839.798 | 1,464.139 | 3,487.150 | 6,491.072 | 6,519.580 | 142.714  | 0.000    | 200.712  | 0.000    | 0.000     | 20,145.165 |
| DISTRICT TOTAL |    |    | MP       | 0.000    | 0.000    | 9,306.635 | 3,732.452 | 4,173.747 | 8,077.435 | 8,763.187 | 445.591  | 78.125   | 200.712  | 0.000    | 0.000     | 34,777.884 |
| GRAND TOTAL:   |    |    | MP       | 0.000    | 0.000    | 9,306.635 | 3,732.452 | 4,428.688 | 8,439.765 | 8,897.495 | 445.591  | 78.125   | 200.712  | 0.000    | 0.000     | 35,529.463 |

Runtime Filtering Parameters

Date Range: From: 2017-01-01 To: 2017-12-31  
 Region/District Harvested: Coast Area  
 Region/District Scaled: All  
 Client No/Loc: All

Species: All  
 Product: Log  
 Grade: All  
 Billing Type: Normal  
 Mgmt Unit Type:  
 Mgmt Unit No:

Report Configuration Parameters

Volume (M3): Yes Species: Yes  
 Value (\$): No Product: No  
 Value/Volume (\$/M3): No Grade: Yes  
 Volume Fraction (%): No Grouping: District and Mark

Tenure Details: Marks ( EECIH,NECIG )

Appendix B2

| PROFIT / LOSS PROJECTION          |      |             |             |                                  |                            |                |  |                  |                |                     |                    |             |
|-----------------------------------|------|-------------|-------------|----------------------------------|----------------------------|----------------|--|------------------|----------------|---------------------|--------------------|-------------|
| EECIH MARCH 2017 - SEPTEMBER 2017 |      |             |             |                                  |                            |                |  |                  |                |                     |                    |             |
| TOTAL VOLUME:                     |      | 14632.7 M3  |             | EXPORT PRICING (EXCEPT AS NOTED) |                            |                |  |                  |                |                     |                    |             |
| SPECIES                           | %    | GRADE       | %           | VOLUME<br>M3                     | MARKET VALUE               | EXPORT         | STUMPAGE   | LOGGING          | NET VALUE      |                     |                    |             |
|                                   |      |             |             |                                  | JULY / AUG 2017<br>\$ / M3 | TAX<br>\$ / M3 | PAID LANDOWNER<br>\$ / M3                            | COSTS<br>\$ / M3 | \$ / M3        | \$                  |                    |             |
| ALDER                             | 2%   | W           | 97%         | 337.3                            | \$95.00                    |                | \$23.00  | \$39.00          | \$33.00        | \$11,131.66         | EXPORT             |             |
|                                   |      | Y           | 3%          | 8.9                              | \$0.00                     |                | \$0.00   | \$0.00           | \$0.00         | \$0.00              | CULL / TRIM        |             |
|                                   |      |             | <b>100%</b> | <b>346.3</b>                     |                            |                |  |                  |                | <b>\$32.15</b>      | <b>\$11,131.66</b> |             |
| BALSAM                            | 6%   | H           | 12%         | 105.9                            | \$130.00                   |                | \$29.00  | \$39.00          | \$62.00        | \$6,567.60          | EXPORT             |             |
|                                   |      | I           | 54%         | 470.9                            | \$120.00                   |                | \$29.00  | \$39.00          | \$52.00        | \$24,486.80         | EXPORT             |             |
|                                   |      | J           | 25%         | 213.5                            | \$110.00                   |                | \$29.00  | \$39.00          | \$42.00        | \$8,967.97          | EXPORT             |             |
|                                   |      | U           | 7%          | 57.1                             | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$299.53            | PULP               |             |
|                                   |      | X           | 2%          | 13.8                             | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$72.59             | PULP               |             |
|                                   |      | Y           | 0%          | 3.0                              | \$0.00                     |                | \$0.00   | \$0.00           | \$0.00         | \$0.00              | \$0.00             | CULL / TRIM |
|                                   |      | <b>100%</b> |             | <b>864.2</b>                     |                            |                |  |                  | <b>\$46.74</b> | <b>\$40,394.48</b>  |                    |             |
| CEDAR                             | 0%   | H           | 5%          | 2.1                              | \$260.00                   |                | \$137.00   | \$36.75          | \$86.25        | \$178.45            | DOMESTIC           |             |
|                                   |      | I           | 30%         | 12.8                             | \$240.00                   |                | \$137.00   | \$36.75          | \$66.25        | \$850.52            | DOMESTIC           |             |
|                                   |      | J           | 33%         | 14.3                             | \$240.00                   |                | \$137.00   | \$36.75          | \$66.25        | \$948.83            | DOMESTIC           |             |
|                                   |      | L           | 3%          | 1.1                              | \$140.00                   |                | \$137.00   | \$36.75          | (\$33.75)      | (\$37.63)           | DOMESTIC           |             |
|                                   |      | M           | 2%          | 0.9                              | \$130.00                   |                | \$137.00   | \$36.75          | (\$43.75)      | (\$38.54)           | DOMESTIC           |             |
|                                   |      | U           | 26%         | 11.3                             | \$130.00                   |                | \$137.00   | \$36.75          | (\$43.75)      | (\$492.36)          | DOMESTIC           |             |
|                                   |      | X           | 1%          | 0.3                              | \$0.00                     |                | \$0.00   | \$0.00           | \$0.00         | \$0.00              | \$0.00             | CULL / TRIM |
|                                   |      | Y           | 0%          | 0.0                              | \$0.00                     |                | \$0.00   | \$0.00           | \$0.00         | \$0.00              | \$0.00             | CULL / TRIM |
|                                   |      | <b>100%</b> |             | <b>42.8</b>                      |                            |                |  |                  | <b>\$32.94</b> | <b>\$1,409.26</b>   |                    |             |
| DOUGLAS FIR                       | 66%  | B           | 0%          | 2.9                              | \$160.00                   |                | \$57.00  | \$36.75          | \$66.25        | \$191.93            | DOMESTIC           |             |
|                                   |      | C           | 5%          | 466.3                            | \$150.00                   |                | \$57.00  | \$36.75          | \$56.25        | \$26,229.77         | DOMESTIC           |             |
|                                   |      | H           | 16%         | 1515.0                           | \$170.00                   |                | \$61.00  | \$39.00          | \$70.00        | \$106,047.27        | EXPORT             |             |
|                                   |      | I           | 46%         | 4403.1                           | \$155.00                   |                | \$61.00  | \$39.00          | \$55.00        | \$242,169.51        | EXPORT             |             |
|                                   |      | J           | 27%         | 2609.3                           | \$120.00                   |                | \$61.00  | \$39.00          | \$20.00        | \$52,186.80         | EXPORT             |             |
|                                   |      | U           | 6%          | 557.2                            | \$80.00                    |                | \$61.00  | \$39.00          | (\$20.00)      | (\$11,144.68)       | EXPORT             |             |
|                                   |      | X           | 0%          | 45.5                             | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$238.76            | PULP               |             |
|                                   |      | Y           | 0%          | 11.2                             | \$0.00                     |                | \$0.00   | \$0.00           | \$0.00         | \$0.00              | \$0.00             | CULL / TRIM |
|                                   |      | <b>100%</b> |             | <b>9610.5</b>                    |                            |                |  |                  | <b>\$43.28</b> | <b>\$415,919.36</b> |                    |             |
| HEMLOCK                           | 13%  | F           | 0%          | 0.0                              | \$140.00                   |                | \$29.00  | \$39.00          | \$72.00        | \$0.00              | EXPORT             |             |
|                                   |      | H           | 11%         | 214.0                            | \$140.00                   |                | \$29.00  | \$39.00          | \$72.00        | \$15,404.54         | EXPORT             |             |
|                                   |      | I           | 16%         | 312.8                            | \$130.00                   |                | \$29.00  | \$39.00          | \$62.00        | \$19,395.21         | EXPORT             |             |
|                                   |      | J           | 55%         | 1053.3                           | \$110.00                   |                | \$29.00  | \$39.00          | \$42.00        | \$44,238.22         | EXPORT             |             |
|                                   |      | U           | 13%         | 259.7                            | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$1,363.54          | PULP               |             |
|                                   |      | X           | 4%          | 72.1                             | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$378.47            | PULP               |             |
|                                   |      | Y           | 1%          | 16.4                             | \$0.00                     |                | \$0.00   | \$0.00           | \$0.00         | \$0.00              | \$0.00             | CULL / TRIM |
|                                   |      | <b>100%</b> |             | <b>1928.3</b>                    |                            |                |  |                  | <b>\$41.89</b> | <b>\$80,779.99</b>  |                    |             |
| LODGEPOLE                         | 0%   | J           | 0%          | 0.0                              | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$0.00              | PULP               |             |
|                                   |      | U           | 94%         | 0.1                              | \$0.00                     |                | \$0.00   | \$0.00           | \$0.00         | \$0.00              | CULL / TRIM        |             |
|                                   |      | X           | 6%          | 0.0                              | \$0.00                     |                | \$0.00   | \$0.00           | \$0.00         | \$0.00              | CULL / TRIM        |             |
|                                   |      | Y           | 0%          | 0.0                              | \$0.00                     |                | \$0.00   | \$0.00           | \$0.00         | \$0.00              | CULL / TRIM        |             |
|                                   |      | <b>100%</b> |             | <b>0.1</b>                       |                            |                |  |                  | <b>\$0.00</b>  | <b>\$0.00</b>       |                    |             |
| MAPLE                             | 7%   | W           | 97%         | 924.2                            | \$75.00                    |                | \$23.00  | \$39.00          | \$13.00        | \$12,014.55         | EXPORT             |             |
|                                   |      | Y           | 3%          | 31.9                             | \$0.00                     |                | \$0.00   | \$0.00           | \$0.00         | \$0.00              | CULL / TRIM        |             |
|                                   |      | <b>100%</b> |             | <b>956.1</b>                     |                            |                |  |                  | <b>\$12.57</b> | <b>\$12,014.55</b>  |                    |             |
| SPRUCE                            | 6%   | H           | 2%          | 21.9                             | \$100.00                   |                | \$29.00  | \$39.00          | \$32.00        | \$699.52            | EXPORT             |             |
|                                   |      | I           | 41%         | 362.0                            | \$90.00                    |                | \$29.00  | \$39.00          | \$22.00        | \$7,964.48          | EXPORT             |             |
|                                   |      | J           | 30%         | 260.6                            | \$80.00                    |                | \$29.00  | \$39.00          | \$12.00        | \$3,127.63          | EXPORT             |             |
|                                   |      | U           | 20%         | 180.1                            | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$945.41            | PULP               |             |
|                                   |      | X           | 4%          | 32.3                             | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$169.61            | PULP               |             |
|                                   |      | Y           | 3%          | 25.9                             | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$136.19            | PULP               |             |
|                                   |      | Z           | 0%          | 0.0                              | \$0.00                     |                | \$0.00   | \$0.00           | \$0.00         | \$0.00              | \$0.00             | CULL / TRIM |
|                                   |      | <b>100%</b> |             | <b>882.8</b>                     |                            |                |  |                  | <b>\$14.77</b> | <b>\$13,042.84</b>  |                    |             |
| WHITE PINE                        | 0%   | J           | 16%         | 0.3                              | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$1.45              | PULP               |             |
|                                   |      | U           | 66%         | 1.1                              | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$5.87              | PULP               |             |
|                                   |      | X           | 18%         | 0.3                              | \$42.00                    |                | \$0.00   | \$36.75          | \$5.25         | \$1.61              | PULP               |             |
|                                   |      | <b>100%</b> |             | <b>1.7</b>                       |                            |                |  |                  | <b>\$5.25</b>  | <b>\$8.93</b>       |                    |             |
| TOTAL:                            | 100% |             | TOTAL       | 14632.7                          |                            |                | TOTAL PROFIT:  |                  |                | \$574,701.06        |                    |             |
|                                   |      |             | PULP        | 697.1                            |                            |                | PROFIT PER M3:                                       | \$39.28          |                |                     |                    |             |
|                                   |      |             | CULL        | 178.7                            |                            |                |  |                  |                |                     |                    |             |
|                                   |      |             | SAWLOG      | 13756.9                          |                            |                |  |                  |                |                     |                    |             |
|                                   |      |             | CONIFER     | 13330.3                          |                            |                | (ASSUMING STUMPAGE ONLY PAID ON SAWLOG SORTS/GRADES) |                  |                |                     |                    |             |
|                                   |      |             | HARDWOOD    | 1302.4                           |                            |                |  |                  |                |                     |                    |             |
|                                   |      |             | EXPORT      | 12785.0                          |                            |                |  |                  |                |                     |                    |             |
|                                   |      |             | DOMESTIC    | 1847.7                           |                            |                |  |                  |                |                     |                    |             |





Appendix B2-2

| PROFIT / LOSS PROJECTION |                             |          |                  |         |                 |              |  |           |               |              |             |
|--------------------------|-----------------------------|----------|------------------|---------|-----------------|--------------|--|-----------|---------------|--------------|-------------|
| EECIH                    | MARCH 2017 - SEPTEMBER 2017 |          |                  |         |                 |              |  |           |               |              |             |
| TOTAL VOLUME:            | 14632.7                     | M3       | DOMESTIC PRICING |         |                 |              |  |           |               |              |             |
| SPECIES                  | %                           | GRADE    | %                | VOLUME  | MARKET VALUE    | EXPORT       | STUMPAGE   | LOGGING   | NET VALUE     |              |             |
|                          |                             |          |                  | M3      | JULY / AUG 2017 | TAX          | PAID LANDOWNER                                       | COSTS     | \$ / M3       | \$           |             |
|                          |                             |          |                  |         | \$ / M3         | \$ / M3      | \$ / M3  | \$ / M3   | \$ / M3       |              |             |
| ALDER                    | 2%                          | W        | 97%              | 337.3   | \$80.00         |              | \$23.00  | \$36.75   | \$20.25       | \$6,830.79   | DOMESTIC    |
|                          |                             |          | 3%               | 8.9     | \$0.00          | \$0.00       | \$0.00   | \$0.00    | \$0.00        | \$0.00       | CULL / TRIM |
|                          |                             |          | 100%             | 346.3   |                 |              |  | \$19.73   | \$6,830.79    |              |             |
| BALSAM                   | 6%                          | H        | 12%              | 105.9   | \$78.00         |              | \$26.00  | \$36.75   | \$15.25       | \$1,615.42   | DOMESTIC    |
|                          |                             |          | 54%              | 470.9   | \$72.00         | \$26.00      | \$36.75  | \$9.25    | \$4,355.83    | DOMESTIC     |             |
|                          |                             |          | 25%              | 213.5   | \$58.00         | \$26.00      | \$36.75  | (\$4.75)  | (\$1,014.23)  | DOMESTIC     |             |
|                          |                             |          | 7%               | 57.1    | \$42.00         | \$0.00       | \$36.75  | \$5.25    | \$299.53      | PULP         |             |
|                          |                             |          | 2%               | 13.8    | \$42.00         | \$0.00       | \$36.75  | \$5.25    | \$72.59       | PULP         |             |
|                          |                             |          | 0%               | 3.0     | \$0.00          | \$0.00       | \$0.00   | \$0.00    | \$0.00        | \$0.00       | CULL / TRIM |
|                          |                             |          | 100%             | 864.2   |                 |              |  | \$6.17    | \$5,329.12    |              |             |
| CEDAR                    | 0%                          | H        | 5%               | 2.1     | \$260.00        |              | \$137.00   | \$36.75   | \$86.25       | \$178.45     | DOMESTIC    |
|                          |                             |          | 30%              | 12.8    | \$240.00        | \$137.00     | \$36.75  | \$66.25   | \$30,892.84   | DOMESTIC     |             |
|                          |                             |          | 33%              | 14.3    | \$240.00        | \$137.00     | \$36.75  | \$66.25   | \$948.83      | DOMESTIC     |             |
|                          |                             |          | 3%               | 1.1     | \$140.00        | \$137.00     | \$36.75  | (\$33.75) | (\$37.63)     | DOMESTIC     |             |
|                          |                             |          | 2%               | 0.9     | \$130.00        | \$137.00     | \$36.75  | (\$43.75) | (\$38.54)     | DOMESTIC     |             |
|                          |                             |          | 26%              | 11.3    | \$130.00        | \$137.00     | \$36.75  | (\$43.75) | (\$492.36)    | DOMESTIC     |             |
|                          |                             |          | 1%               | 0.3     | \$0.00          | \$0.00       | \$0.00   | \$0.00    | \$0.00        | \$0.00       | CULL / TRIM |
|                          |                             |          | 0%               | 0.0     | \$0.00          | \$0.00       | \$0.00   | \$0.00    | \$0.00        | \$0.00       | CULL / TRIM |
| 100%                     | 42.8                        |          |                  |         | \$32.94         | \$1,409.26   |  |           |               |              |             |
| DOUGLAS FIR              | 66%                         | B        | 0%               | 2.9     | \$160.00        |              | \$57.00  | \$36.75   | \$66.25       | \$191.93     | DOMESTIC    |
|                          |                             |          | 5%               | 466.3   | \$160.00        | \$57.00      | \$36.75  | \$66.25   | \$30,892.84   | DOMESTIC     |             |
|                          |                             |          | 16%              | 1515.0  | \$130.00        | \$57.00      | \$36.75  | \$36.25   | \$54,917.34   | DOMESTIC     |             |
|                          |                             |          | 46%              | 4403.1  | \$120.00        | \$57.00      | \$36.75  | \$26.25   | \$115,580.90  | DOMESTIC     |             |
|                          |                             |          | 27%              | 2609.3  | \$100.00        | \$57.00      | \$36.75  | \$6.25    | \$16,308.38   | DOMESTIC     |             |
|                          |                             |          | 6%               | 557.2   | \$60.00         | \$57.00      | \$36.75  | (\$33.75) | (\$18,806.65) | DOMESTIC     |             |
|                          |                             |          | 0%               | 45.5    | \$42.00         | \$0.00       | \$36.75  | \$5.25    | \$238.76      | PULP         |             |
|                          |                             |          | 0%               | 11.2    | \$0.00          | \$0.00       | \$0.00   | \$0.00    | \$0.00        | \$0.00       | CULL / TRIM |
| 100%                     | 9610.5                      |          |                  |         | \$20.74         | \$199,323.50 |  |           |               |              |             |
| HEMLOCK                  | 13%                         | F        | 0%               | 0.0     | \$100.00        |              | \$26.00  | \$36.75   | \$37.25       | \$0.00       | DOMESTIC    |
|                          |                             |          | 11%              | 214.0   | \$78.00         | \$26.00      | \$36.75  | \$15.25   | \$3,262.77    | DOMESTIC     |             |
|                          |                             |          | 16%              | 312.8   | \$72.00         | \$26.00      | \$36.75  | \$9.25    | \$2,893.64    | DOMESTIC     |             |
|                          |                             |          | 55%              | 1053.3  | \$58.00         | \$26.00      | \$36.75  | (\$4.75)  | (\$5,003.13)  | DOMESTIC     |             |
|                          |                             |          | 13%              | 259.7   | \$42.00         | \$0.00       | \$36.75  | \$5.25    | \$1,363.54    | PULP         |             |
|                          |                             |          | 4%               | 72.1    | \$42.00         | \$0.00       | \$36.75  | \$5.25    | \$378.47      | PULP         |             |
|                          |                             |          | 1%               | 16.4    | \$0.00          | \$0.00       | \$0.00   | \$0.00    | \$0.00        | \$0.00       | CULL / TRIM |
| 100%                     | 1928.3                      |          |                  |         | \$1.50          | \$2,895.28   |  |           |               |              |             |
| LODGEPOLE                | 0%                          | J        | 0%               | 0.0     | \$42.00         |              | \$0.00   | \$36.75   | \$5.25        | \$0.00       | PULP        |
|                          |                             |          | 94%              | 0.1     | \$0.00          | \$0.00       | \$36.75  | (\$36.75) | (\$2.87)      | CULL / TRIM  |             |
|                          |                             |          | 6%               | 0.0     | \$0.00          | \$0.00       | \$36.75  | (\$36.75) | (\$0.18)      | CULL / TRIM  |             |
|                          |                             |          | 0%               | 0.0     | \$0.00          | \$0.00       | \$36.75  | (\$36.75) | \$0.00        | CULL / TRIM  |             |
| 100%                     | 0.1                         |          |                  |         | (\$36.75)       | (\$3.05)     |  |           |               |              |             |
| MAPLE                    | 7%                          | W        | 97%              | 924.2   | \$60.00         |              | \$23.00  | \$36.75   | \$0.25        | \$231.05     | DOMESTIC    |
|                          |                             |          | 3%               | 31.9    | \$0.00          | \$0.00       | \$0.00   | \$0.00    | \$0.00        | \$0.00       | CULL / TRIM |
|                          |                             |          | 100%             | 956.1   |                 |              |  | \$0.24    | \$231.05      |              |             |
| SPRUCE                   | 6%                          | H        | 2%               | 21.9    | \$75.00         |              | \$26.00  | \$36.75   | \$12.25       | \$267.79     | DOMESTIC    |
|                          |                             |          | 41%              | 362.0   | \$68.00         | \$26.00      | \$36.75  | \$5.25    | \$1,900.62    | DOMESTIC     |             |
|                          |                             |          | 30%              | 260.6   | \$58.00         | \$26.00      | \$36.75  | (\$4.75)  | (\$1,238.02)  | DOMESTIC     |             |
|                          |                             |          | 20%              | 180.1   | \$42.00         | \$0.00       | \$36.75  | \$5.25    | \$945.41      | PULP         |             |
|                          |                             |          | 4%               | 32.3    | \$42.00         | \$0.00       | \$36.75  | \$5.25    | \$169.61      | PULP         |             |
|                          |                             |          | 3%               | 25.9    | \$42.00         | \$0.00       | \$36.75  | \$5.25    | \$136.19      | PULP         |             |
|                          |                             |          | 0%               | 0.0     | \$0.00          | \$0.00       | \$0.00   | \$0.00    | \$0.00        | \$0.00       | CULL / TRIM |
| 100%                     | 882.8                       |          |                  |         | \$2.47          | \$2,181.58   |  |           |               |              |             |
| WHITE PINE               | 0%                          | J        | 16%              | 0.3     | \$42.00         |              | \$0.00   | \$36.75   | \$5.25        | \$1.45       | PULP        |
|                          |                             |          | 66%              | 1.1     | \$42.00         | \$0.00       | \$36.75  | \$5.25    | \$5.87        | PULP         |             |
|                          |                             |          | 18%              | 0.3     | \$42.00         | \$0.00       | \$36.75  | \$5.25    | \$1.61        | PULP         |             |
| 100%                     | 1.7                         |          |                  |         | \$5.25          | \$8.93       |  |           |               |              |             |
| TOTAL:                   | 100%                        | TOTAL    |                  | 14632.7 |                 |              | TOTAL PROFIT:  |           |               | \$218,206.46 |             |
|                          |                             | PULP     |                  | 697.1   |                 |              | PROFIT PER M3:                                       |           | \$14.91       |              |             |
|                          |                             | CULL     |                  | 178.7   |                 |              |  |           |               |              |             |
|                          |                             | SAWLOG   |                  | 13756.9 |                 |              |  |           |               |              |             |
|                          |                             | CONIFER  |                  | 13330.3 |                 |              |  |           |               |              |             |
|                          |                             | HARDWOOD |                  | 1302.4  |                 |              | (ASSUMING STUMPAGE PAID ONLY ON SAWLOG GRADES/SORTS) |           |               |              |             |
|                          |                             | EXPORT   |                  | 12785.0 |                 |              |  |           |               |              |             |
|                          |                             | DOMESTIC |                  | 1847.7  |                 |              |  |           |               |              |             |

Appendix B2-3

| <b>EECIH</b>         |                 |                |  |
|----------------------|-----------------|----------------|--|
| <b>PHASE COSTS</b>   | <b>DOMESTIC</b> | <b>EXPORT</b>  |  |
| LAYOUT               | 0.50            | 0.50           |  |
| REFORESTATION        | 2.50            | 2.50           |  |
| FALLING              | 4.25            | 4.25           |  |
| YARDING              | 5.50            | 5.50           |  |
| LOAD AND HAUL        | 7.00            | 7.00           |  |
| ROADS                | 1.00            | 1.00           |  |
| DEACTIVATION         | 0.25            | 0.25           |  |
| SORT                 | 11.75           | 12.00          |  |
| SCALING EXPORT       |                 | 2.00           |  |
| SCALING DOMESTIC     | 1.00            |                |  |
| BROKERAGE            | 2.00            | 3.00           |  |
| SUPERVISION          | 0.50            | 0.50           |  |
| ADMINISTRATION       | 0.50            | 0.50           |  |
| <b>TOTAL (\$/M3)</b> | <b>\$36.75</b>  | <b>\$39.00</b> |  |



Appendix B2- 5

| <b>NECIG</b>         |                 |                |  |
|----------------------|-----------------|----------------|--|
| <b>PHASE COSTS</b>   | <b>DOMESTIC</b> | <b>EXPORT</b>  |  |
| LAYOUT               | 0.50            | 0.50           |  |
| REFORESTATION        | 2.50            | 2.50           |  |
| FALLING              | 4.25            | 4.25           |  |
| YARDING              | 5.50            | 5.50           |  |
| LOAD AND HAUL        | 7.00            | 7.00           |  |
| ROADS                | 1.00            | 1.00           |  |
| DEACTIVATION         | 0.25            | 0.25           |  |
| SORT                 | 11.75           | 12.00          |  |
| SCALING EXPORT       |                 | 2.00           |  |
| SCALING DOMESTIC     | 1.00            |                |  |
| BROKERAGE            | 2.00            | 3.00           |  |
| SUPERVISION          | 0.50            | 0.50           |  |
| ADMINISTRATION       | 0.50            | 0.50           |  |
| <b>TOTAL (\$/M3)</b> | <b>\$36.75</b>  | <b>\$39.00</b> |  |

Appendix B2-6

| PROFIT / LOSS PROJECTION |      |                             |          |         |                  |         |                |         |           |               |             |             |
|--------------------------|------|-----------------------------|----------|---------|------------------|---------|----------------|---------|-----------|---------------|-------------|-------------|
| NECIG                    |      | MARCH 2017 - SEPTEMBER 2017 |          |         | DOMESTIC PRICING |         |                |         |           |               |             |             |
| TOTAL VOLUME:            |      | 20896.6                     | M3       |         |                  |         |                |         |           |               |             |             |
|                          |      |                             |          |         | MARKET VALUE     | EXPORT  | STUMPAGE       | LOGGING | NET VALUE |               |             |             |
|                          |      |                             |          |         | JULY / AUG 2017  | TAX     | PAID LANDOWNER | COSTS   |           |               |             |             |
| SPECIES                  | %    | GRADE                       | %        | VOLUME  | \$ / M3          | \$ / M3 | \$ / M3        | \$ / M3 | \$ / M3   | \$            |             |             |
| ALDER                    | 2%   | W                           | 99%      | 332.0   | \$80.00          |         | \$23.00        | \$36.75 | \$20.25   | \$6,723.85    | DOMESTIC    |             |
|                          |      | Y                           | 1%       | 4.7     | \$0.00           |         | \$0.00         | \$0.00  | \$0.00    | \$0.00        | CULL / TRIM |             |
|                          |      |                             | 100%     | 336.7   |                  |         |                |         |           | \$19.97       | \$6,723.85  |             |
| BALSAM                   | 4%   | H                           | 10%      | 71.0    | \$78.00          |         | \$26.00        | \$36.75 | \$15.25   | \$1,082.34    | DOMESTIC    |             |
|                          |      | I                           | 57%      | 419.1   | \$72.00          |         | \$26.00        | \$36.75 | \$9.25    | \$3,876.75    | DOMESTIC    |             |
|                          |      | J                           | 22%      | 158.1   | \$58.00          |         | \$26.00        | \$36.75 | (\$4.75)  | (\$750.85)    | DOMESTIC    |             |
|                          |      | U                           | 9%       | 68.5    | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$359.81      | PULP        |             |
|                          |      | X                           | 1%       | 10.5    | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$55.33       | PULP        |             |
|                          |      | Y                           | 1%       | 5.4     | \$0.00           |         | \$0.00         | \$0.00  | \$0.00    | \$0.00        | \$0.00      | CULL / TRIM |
|                          |      |                             | 100%     | 732.6   |                  |         |                |         | \$6.31    | \$4,623.37    |             |             |
| CEDAR                    | 17%  | H                           | 27%      | 958.1   | \$260.00         |         | \$137.00       | \$36.75 | \$86.25   | \$82,632.50   | DOMESTIC    |             |
|                          |      | I                           | 11%      | 387.6   | \$240.00         |         | \$137.00       | \$36.75 | \$66.25   | \$25,680.22   | DOMESTIC    |             |
|                          |      | J                           | 42%      | 1473.3  | \$240.00         |         | \$137.00       | \$36.75 | \$66.25   | \$97,605.40   | DOMESTIC    |             |
|                          |      | L                           | 2%       | 72.6    | \$140.00         |         | \$137.00       | \$36.75 | (\$33.75) | (\$2,451.13)  | DOMESTIC    |             |
|                          |      | M                           | 2%       | 69.6    | \$130.00         |         | \$137.00       | \$36.75 | (\$43.75) | (\$3,044.61)  | DOMESTIC    |             |
|                          |      | U                           | 15%      | 514.6   | \$130.00         |         | \$137.00       | \$36.75 | (\$43.75) | (\$22,514.89) | DOMESTIC    |             |
|                          |      | X                           | 1%       | 46.4    | \$0.00           |         | \$0.00         | \$0.00  | \$0.00    | \$0.00        | \$0.00      | CULL / TRIM |
|                          |      | Y                           | 0%       | 10.7    | \$0.00           |         | \$0.00         | \$0.00  | \$0.00    | \$0.00        | \$0.00      | CULL / TRIM |
|                          |      |                             | 100%     | 3532.9  |                  |         |                |         | \$50.36   | \$177,907.50  |             |             |
| DOUGLAS FIR              | 36%  | C                           | 4%       | 297.8   | \$150.00         |         | \$57.00        | \$36.75 | \$56.25   | \$16,753.78   | DOMESTIC    |             |
|                          |      | H                           | 10%      | 780.0   | \$130.00         |         | \$57.00        | \$36.75 | \$36.25   | \$28,276.49   | DOMESTIC    |             |
|                          |      | I                           | 58%      | 4415.6  | \$120.00         |         | \$57.00        | \$36.75 | \$26.25   | \$115,909.84  | DOMESTIC    |             |
|                          |      | J                           | 22%      | 1669.0  | \$100.00         |         | \$57.00        | \$36.75 | \$6.25    | \$10,431.06   | DOMESTIC    |             |
|                          |      | U                           | 5%       | 382.0   | \$60.00          |         | \$57.00        | \$36.75 | (\$33.75) | (\$12,891.29) | DOMESTIC    |             |
|                          |      | X                           | 1%       | 48.7    | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$255.65      | PULP        |             |
|                          |      | Y                           | 0%       | 11.9    | \$0.00           |         | \$0.00         | \$0.00  | \$0.00    | \$0.00        | \$0.00      | CULL / TRIM |
|                          |      |                             | 100%     | 7605.0  |                  |         |                |         | \$20.87   | \$158,735.53  |             |             |
| HEMLOCK                  | 24%  | F                           | 0%       | 2.4     | \$100.00         |         | \$26.00        | \$36.75 | \$37.25   | \$90.59       | DOMESTIC    |             |
|                          |      | H                           | 16%      | 811.0   | \$78.00          |         | \$26.00        | \$36.75 | \$15.25   | \$12,367.64   | DOMESTIC    |             |
|                          |      | I                           | 16%      | 829.0   | \$72.00          |         | \$26.00        | \$36.75 | \$9.25    | \$7,668.47    | DOMESTIC    |             |
|                          |      | J                           | 51%      | 2555.8  | \$58.00          |         | \$26.00        | \$36.75 | (\$4.75)  | (\$12,139.93) | DOMESTIC    |             |
|                          |      | U                           | 13%      | 650.7   | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$3,416.18    | PULP        |             |
|                          |      | X                           | 3%       | 157.9   | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$828.91      | PULP        |             |
|                          |      | Y                           | 1%       | 32.0    | \$0.00           |         | \$0.00         | \$0.00  | \$0.00    | \$0.00        | \$0.00      | CULL / TRIM |
|                          |      |                             | 100%     | 5038.8  |                  |         |                |         | \$2.43    | \$12,231.86   |             |             |
| LODGEPOLE                | 0%   | J                           | 75%      | 2.9     | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$15.10       | PULP        |             |
|                          |      | U                           | 13%      | 0.5     | \$0.00           |         | \$0.00         | \$0.00  | \$0.00    | \$0.00        | CULL / TRIM |             |
|                          |      | X                           | 8%       | 0.3     | \$0.00           |         | \$0.00         | \$0.00  | \$0.00    | \$0.00        | CULL / TRIM |             |
|                          |      | Y                           | 4%       | 0.2     | \$0.00           |         | \$0.00         | \$0.00  | \$0.00    | \$0.00        | CULL / TRIM |             |
|                          |      |                             | 100%     | 3.9     |                  |         |                |         | \$3.92    | \$15.10       |             |             |
| MAPLE                    | 4%   | W                           | 97%      | 744.5   | \$60.00          |         | \$23.00        | \$36.75 | \$0.25    | \$186.12      | DOMESTIC    |             |
|                          |      | Y                           | 3%       | 21.9    | \$0.00           |         | \$0.00         | \$0.00  | \$0.00    | \$0.00        | CULL / TRIM |             |
|                          |      |                             | 100%     | 766.4   |                  |         |                |         | \$0.24    | \$186.12      |             |             |
| SPRUCE                   | 14%  | H                           | 10%      | 293.0   | \$75.00          |         | \$26.00        | \$36.75 | \$12.25   | \$3,589.04    | DOMESTIC    |             |
|                          |      | I                           | 36%      | 1033.9  | \$68.00          |         | \$26.00        | \$36.75 | \$5.25    | \$5,428.01    | DOMESTIC    |             |
|                          |      | J                           | 29%      | 825.4   | \$58.00          |         | \$26.00        | \$36.75 | (\$4.75)  | (\$3,920.74)  | DOMESTIC    |             |
|                          |      | U                           | 15%      | 444.5   | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$2,333.69    | PULP        |             |
|                          |      | X                           | 5%       | 144.2   | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$757.16      | PULP        |             |
|                          |      | Y                           | 5%       | 133.1   | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$698.94      | PULP        |             |
|                          |      | Z                           | 0%       | 0.2     | \$0.00           |         | \$0.00         | \$0.00  | \$0.00    | \$0.00        | \$0.00      | CULL / TRIM |
|                          |      |                             | 100%     | 2874.3  |                  |         |                |         | \$3.09    | \$8,886.09    |             |             |
| WHITE PINE               | 0%   | I                           | 33%      | 2.0     | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$10.57       | PULP        |             |
|                          |      | J                           | 47%      | 2.8     | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$14.83       | PULP        |             |
|                          |      | U                           | 20%      | 1.2     | \$42.00          |         | \$0.00         | \$36.75 | \$5.25    | \$6.37        | PULP        |             |
|                          |      |                             | 100%     | 6.1     |                  |         |                |         | \$5.25    | \$31.77       |             |             |
| TOTAL:                   | 100% |                             | TOTAL    | 20896.6 |                  |         | TOTAL PROFIT:  |         |           | \$369,341.20  |             |             |
|                          |      |                             | PULP     | 1671.9  |                  |         | PROFIT PER M3: |         | \$17.67   |               |             |             |
|                          |      |                             | CULL     | 240.2   |                  |         |                |         |           |               |             |             |
|                          |      |                             | SAWLOG   | 18984.5 |                  |         |                |         |           |               |             |             |
|                          |      |                             | CONIFER  | 19793.5 |                  |         |                |         |           |               |             |             |
|                          |      |                             | HARDWOOD | 1103.1  |                  |         |                |         |           |               |             |             |
|                          |      |                             | EXPORT   | 14349.1 |                  |         |                |         |           |               |             |             |
|                          |      |                             | DOMESTIC | 6547.5  |                  |         |                |         |           |               |             |             |

(ASSUMING STUMPAGE PAID ONLY ON SAWLOG SORTS/GRADES)

Appendix B2-7

| <b>NECIG</b>         |                 |                |  |
|----------------------|-----------------|----------------|--|
| <b>PHASE COSTS</b>   | <b>DOMESTIC</b> | <b>EXPORT</b>  |  |
| LAYOUT               | 0.50            | 0.50           |  |
| REFORESTATION        | 2.50            | 2.50           |  |
| FALLING              | 4.25            | 4.25           |  |
| YARDING              | 5.50            | 5.50           |  |
| LOAD AND HAUL        | 7.00            | 7.00           |  |
| ROADS                | 1.00            | 1.00           |  |
| DEACTIVATION         | 0.25            | 0.25           |  |
| SORT                 | 11.75           | 12.00          |  |
| SCALING EXPORT       |                 | 2.00           |  |
| SCALING DOMESTIC     | 1.00            |                |  |
| BROKERAGE            | 2.00            | 3.00           |  |
| SUPERVISION          | 0.50            | 0.50           |  |
| ADMINISTRATION       | 0.50            | 0.50           |  |
| <b>TOTAL (\$/M3)</b> | <b>\$36.75</b>  | <b>\$39.00</b> |  |

## Summary: Removals <15 trees/100m

| EF001  | Stream 7  | West    | Removals <15 trees/100m |       |         |          |
|--------|-----------|---------|-------------------------|-------|---------|----------|
|        |           | Species | 20-50                   | 51-75 | 76-100+ | Vol (m3) |
| EECIH  |           | Fd      | 4                       | 1     |         | 7.679    |
| 7.679  |           |         |                         |       |         |          |
| EF002  | Stream 9a |         | Removals <15 trees/100m |       |         |          |
|        |           | Species | 20-50                   | 51-75 | 76-100+ | Vol (m3) |
| NECIG  |           | S       |                         |       | 1       | 8.38     |
|        |           | Hw      | 1                       | 2     |         | 11.238   |
| 19.618 |           |         |                         |       |         |          |
| EF004  | Stream 9  | West    | Removals <15 trees/100m |       |         |          |
|        |           | Species | 20-50                   | 51-75 | 76-100+ | Vol (m3) |
| NECIG  |           | Hw      | 10                      | 2     |         | 21.102   |
|        |           | Fd      | 1                       | 1     | 1       | 13.302   |
| 34.404 |           |         |                         |       |         |          |
| EF004  | Stream 9  | East    | Removals <15 trees/100m |       |         |          |
|        |           | Species | 20-50                   | 51-75 | 76-100+ | Vol (m3) |
| NECIG  |           | Hw      | 1                       | 2     |         | 11.238   |
|        |           | Fd      | 1                       |       | 1       | 9.299    |
| 20.537 |           |         |                         |       |         |          |
| EF005  | Stream 10 |         | Removals <15 trees/100m |       |         |          |
|        |           | Species | 20-50                   | 51-75 | 76-100+ | Vol (m3) |
| NECIG  |           | Hw      | 5                       |       |         | 5.48     |
|        |           | Fd      | 5                       | 3     | 2       | 33.364   |
| 38.844 |           |         |                         |       |         |          |

|              |                |
|--------------|----------------|
| <b>Total</b> | <b>121.082</b> |
|--------------|----------------|