

Creston Valley Forest Corporation

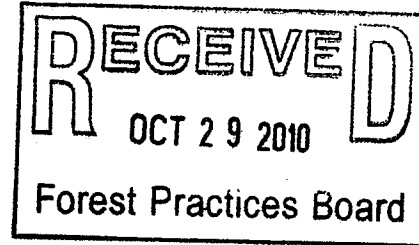
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"Managing Creston's Community Forest through Responsible Forest Stewardship"



October 25, 2010

Christopher R. Mosher, CA, CEA (SFM)
Director, Audits
Forest Practices Board
PO Box 9905
Stn. Prov. Gov't.
Victoria, BC V8W 9R1

Dear Christopher Mosher:

This is in response to your letter dated March 10, 2010 in which you request an update on the Creston Valley Forest Corporation's (CVFC) out-standing silviculture obligations.

Three cutblocks were planted in the spring and summer of 2010. The work that occurred on each cutblock is itemized as follows:

CP 4 Block 12 was fill planted in the spring 2010 with a total of 3720 white spruce seedlings. The cut-block was subsequently surveyed and determined SR.

CP 8 Block 3 was fill planted in the spring 2010 with a total of 2440 white spruce seedlings and is also SR.

CP 4 Block 15 was fill planted in the summer 2010 with 3190 white spruce seedlings and 11, 200 Douglas-fir seedlings. Brushing was required on approximately five hectares of the block and planting will be completed in the spring 2011.

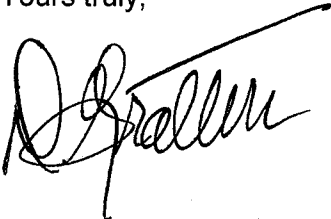
CP 3 Block 6 is also considered SR as per a Silviculture Prescription Amendment completed in April 2010. For CP 3 Block 6, Silviculture Prescription Amendment #1 updates the current stocking standards by using Kootenay Lake's 2007 *Default Stocking Standards*. By updating the stocking standards and recompiling the information from a 2008 stocking survey, this cutblock is in fact stocked with a sufficient number of preferred tree species and therefore require no additional planting.

In addition, new stocking standards were developed in April 2010. These new standards are intended for areas such as the CP 8 cutblocks 4, 5, 7 and 8 which contain the ICHxw Biogeoclimatic subzone and the Wildland Urban Interface (WUI) zone. However, these new standards will also be applied to future cutblocks which meet the criteria. The new stocking standards are based on using specific basal area ranges and preferred tree species that are characteristic of a fire maintained ecosystem (Natural Disturbance Type

4) and that of the WUI. The new stocking standards were approved by the Kootenay Lake Forest District in the spring 2010.

If you need more information, please contact the undersigned.

Yours truly,

A handwritten signature in black ink, appearing to read "D. Gratton". The signature is written in a cursive style with a long, sweeping horizontal line extending from the top of the first letter.

Daniel Gratton, RPF
Forest Manager



File: 97150-20/2008-09

November 10, 2010

Daniel Gratton, RPF
Forest Manager
Creston Valley Forest Corporation
PO Box 551
Creston BC V0B 1G0

Dear Daniel Gratton:

Thank you for your October 25, 2010 letter updating the Board about the Creston Valley Forest Corporation's (CVFC) outstanding silvicultural obligations.

In its February 2009 audit report on the CVFCs forest licence A54214, the Board found significant non-compliance relating to 170 hectares of harvested area had not been restocked with a sufficient number of desirable trees by the specified regeneration date. The Board requested that the CVFC report back on the efforts to regenerate these sites and to develop new stocking standards.

Your letter indicates that you planted three blocks earlier this year, amended a silviculture prescription, and amended stocking standards in April 2010 to reflect the characteristics of a fire maintained ecosystem. The result is that the blocks are sufficiently regenerated.

I accept this response as having addressed the Board's recommendation and now consider this file to be closed.

Thank you for your cooperation throughout the audit.

Yours sincerely,

A handwritten signature in black ink, appearing to read "R.A. Gorley", with a long, sweeping underline.

R.A. (Al) Gorley, RPF
Chair

cc: Garry Beaudry, District Manager, Kootenay Lake Forest District