

**HUU-AY-AHT FIRST NATION
STUMPAGE/RENT OPTIONS**

Scenario 1		
Average Coast Rates		
Cutblock		
962101	\$	1.42
971102	\$	1.42
853201	\$	2.11
All Blocks Combined	\$	1.68
MPS		
Cutblock	Scenario 2	Scenario 3
	Average TSA	Cruise
962101		\$ 10.33
971102		\$ 7.10
853201		\$ 28.74
All Blocks Combined	\$ 18.85	\$ 13.82
Scenario 4		
N1A FN Woodland	CP001	0.25
Stumpage Rates	CP002	1.38
	CP003	0.25
	CP004	0.25
	CP005	0.25
	CP006	1.75
	CP007	3.17
Average Stumpage	\$	0.93

Scenario	Estimated Rent
#1	\$ 84,000.00
#2	\$ 942,500.00
#3	\$ 691,000.00
#4	\$ 46,500.00

Alternative Option: Profit Share (%)	
5%	\$ 25,000.00
10%	\$ 50,000.00
25%	\$ 125,000.00
33%	\$ 165,000.00

Alternative Option: \$1 per m3 Fee plus Profit Share (%)	
5%	\$72,500
10%	\$95,000
25%	\$162,500
33%	\$198,500

Assuming \$10/m3 Profit



HFN Forestry LP Average Stumpage Rate for N1A Licence History to date ending Sept 1, 2013

Cutting Permit	CP Vol m3	Scaled to Date Vol m3	Avg Stumpage \$/m3	Total Stumpage	Comments
CP001	31172	16346.957	0.25	\$ 4,086.74	Cutblocks 852225, 863222, 861314 All second growth
CP002	4007	4474.715	1.38	\$ 6,175.11	Cutblocks 852401, and 852224 Old Growth Helicopter
CP003	30037	15776.988	0.25	\$ 3,944.25	Cutblock 852224, second growth
CP004	33557	15949.178	0.25	\$ 3,987.29	Cutblocks 851203 and 863115, Old Growth
**CP005	11715	0	0.25	\$ 2,928.75	Cutblocks 864305 and 962225, old growth - estimated stumpage from CP Vol
CP006	34168	19440.323	1.75	\$ 34,020.57	Cutblock 852403, second growth
CP007	73309	10187.915	3.17	\$ 32,295.69	Cutblocks 754301, 754401, 852227, 852404, 852405, 863113 mix old and second growth
Total		93891.076		\$ 87,438.39	
Average Stumpage for Licence:				\$ 0.93	

**Note: CP 5 Cutting Permit Volumes are used rather than actual as there is no produced scale.

Report Date: 19-Sep-13
Complete Darren Hiller, RFT
Meridian Forest Services Ltd