



2019 ANNUAL REPORT

May, 2020 in support of Covid delayed Annual General Meeting.

President's Report

2019 started out with a number of challenges, most of which were resolved over the year. You may remember, last spring, that there was some loud and unfounded criticism in the community, levelled at our company and our General Manager. Some of it was quite vicious and became a distraction from our usual work. Our focus has always been on the community so this year more than ever, we worked on our public relations to resolve whatever issues we could and build local support wherever possible.



A significant achievement was the signing of a new, ten year, management agreement between us and the Bella Coola Resource Society (BCRS). This agreement defines a new relationship with the BCRS in which they commit to doing community engagement and we commit to considering recommendations arising from it. As yet, this process is untested, and positive results depend on maintaining a co-operative spirit between our two entities.

Last summer you may have noticed some other logging trucks on the road, filled with bundles of small Chilcotin pine. This was as a result of an agreement with West Chilcotin Forest Products to haul pulpwood to our log dump for later transport by barge to the Harmac Pulpmill near Nanaimo. The main purpose of the project was to utilize wood that would otherwise be left on the site or be burned in slash piles. Challenging economics meant that we only broke even on the use of the log yard but we put people to work and helped to transport 33,645 cubic

meters of pulpwood. As it turned out, the Harmac Pulpmill became a major supplier of medical grade paper products for personal protective equipment being used in the fight against Covid 19, so perhaps we contributed in some small way.

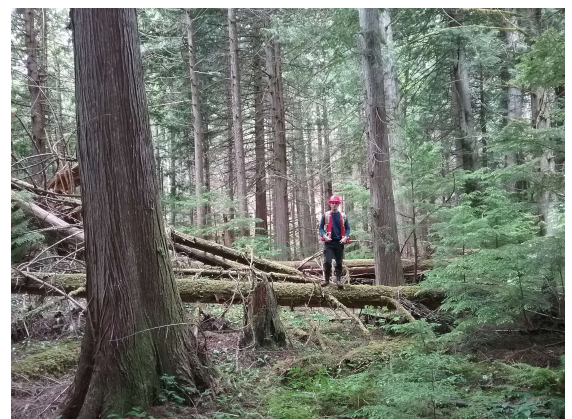
We have a busy year planned for 2020, but it is hard to say how the pandemic will affect our markets. So far, we have been able to maintain operations while following provincial health guidelines and we are in good financial shape to weather the storm.

We have hired a part time administrative assistant to help with office work, communications and some field work. This has enabled us to develop a FaceBook page for public announcements and to keep the community informed. The Wood Post newsletter has had its second edition published with plans for continued coverage.

During this past year we have striven to meet community expectations, while keeping the local mills supplied with logs, and building our business to be efficient and resilient enough to serve our community for a long time to come.

On behalf of the Directors, thank you for your continued support.

Rod Krimmer, President



A future harvest area in Salloompt

BCCFL Board of Directors

The Board is very much involved in directing the management of the Community Forest. The 2019/20 Board consisted of Rod Krimmer, President; Ed Willson, VP; Troy Gurr, Treasurer; Barry Brekke, Wayne Bittner, Keith Boutwell and the BCRS designated Director was Mark Nelson.

Operations

Safety & Environment: 2019 was not a good year in terms of safety. We had two serious incidents resulting in a neck injury and shoulder injury. Both workers have fully recovered. We also had one incident that caused extensive damage to the mini-tower but thankfully



no-one was injured there. Our Safe Certification was retained and there were no significant environmental issues to report.

Operations: Logging operations started in Nusatsum in May following replacement of a failing wood bridge with a new steel bridge on the West Nusatsum mainline. This was an investment in long term access for the community to access Odegaard Falls and alpine areas. The main area of operation was Noomst where 5.2 km of roads was built and we logged 10,400 m³. Although we are able to provide positive financial return, we are not able to harvest our full quota due to the low value of much of our forest inventory.

The coming year's operations will continue at the SE Nusatsum and then crews will be moving back to Noomst valley to continue building road and logging into the fall. Development engineering will be focused at East Salloompt and Nookliklonic valleys as well as the Nosseseck Valley in North Bentinck Arm.

Silviculture: Planting in 2019 was focused on filling in previously planted blocks that suffered heavy mortality during the hot 2017/18 summers. In total, 29,832 trees were planted and given the unusually wet, cool summer, survival is expected to be much better.



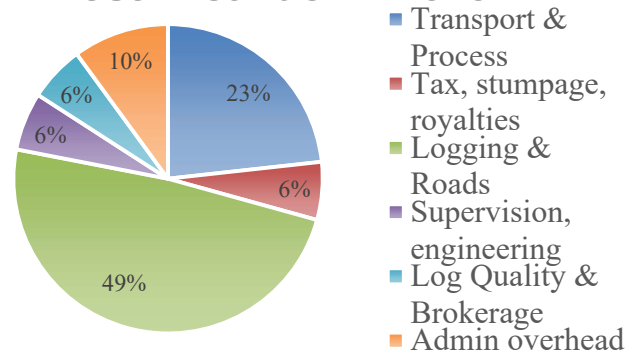
Community: Through dividend payment of \$1.50 per share and with the new annual rent, \$22,610 was paid to Bella Coola Resource Society. We also donated to Bella Coola Rodeo, Music Fest and Logger Sports, plus the annual education bursary. A cedar log was donated for the welcome totem pole to be erected at the airport.

Please check our website: bccfl.com and on facebook.



Barge loading Chilcotin pulp logs

Cost Breakdown 2019



Total Cost \$2,536,120 Total Revenue \$2,770,042

	2019	2018	2017
Employment – md	2,162	1,891	1,037
local	86%	70%	84%
Harvest – m ³	17,122	20,483	8,384
Local sales – m ³	1,585	1,375	760
Area harvested - ha	30.5	33.8	18.7
Roads built -km	5.2	7.3	1.4
Maintained -km	31	27	31
Trees planted	29,832	13,500	10,485
Gov' Fees & tax -	\$153,362	\$83,187	\$101,354
Contractor Pay - \$	2.2 mil	1.32 mil	1.39 mil
Local	78%	90%	69%