

RMR Master Plan Update

REVISED APRIL 2019



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1.0 EXECUTIVE SUMMARY

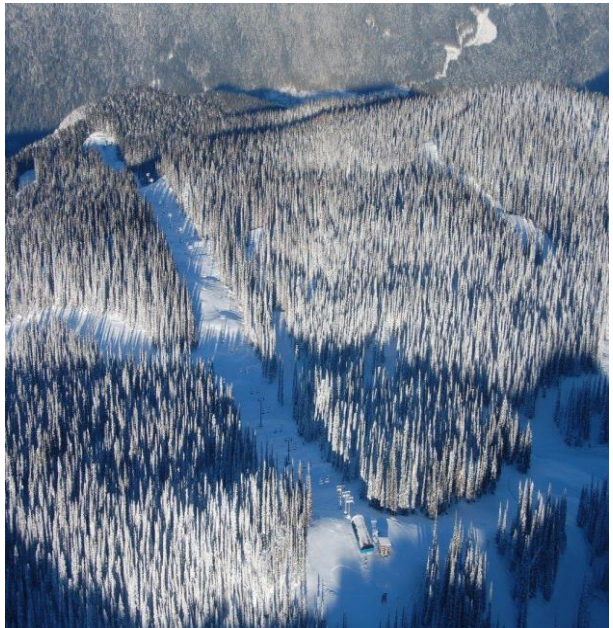
The original Revelstoke Mountain Resort Master Plan was submitted to Land and Water British Columbia Inc. under the Commercial Alpine Ski Policy process by Mount Mackenzie Resort Ltd in December 2003. The corresponding Master Development Agreement was recorded in the name of Revelstoke Mountain Resort (RMR) Inc. in 2006, and amended in 2007 to reflect the current owners: Revelstoke Mountain Resort Limited Partnership (RMRLP), and Revelstoke Alpine Village Inc. (RAVI). This update will have no material changes from the original planning process, only updates to outline the current situation and realistic growth expectations.

In 2008, Northland Properties Corporation (NPC) purchased the majority of shares in RAVI to become the major shareholder just as one of the worst global recessions in generations was beginning. NPC is a prominent Canadian company based in Vancouver and Calgary with decades of experience in property development, construction, hospitality, entertainment and operations.

Since 2008, NPC has invested in excess of \$200 million in RMR in accordance with the following chronology:

2008

- Installed Ripper Chair & 1000 skiable acres
- Installed Lower Gondola and increased skiable vertical
- Added chairs/cabins to the Stoke and Gondola to increase uphill lift capacity
- Opened Lower Village commercial space and relocated Guest Services
- Constructed 1000 vehicle day parking lot at Lower Village
- Expanded high performance rental ski fleet
- Purchased state of the art repair shop equipment
- Expanded Mid Mountain Lodge



2009

- Completed extensive Mackenzie Outpost renovations
- Opened the Rockford | Wok | Bar | Grill
- Completed Mackenzie Landing Estates infrastructure



2010

- Completed construction of Sutton Place Building 3
- Opened Wino wine bar
- 200 vehicle parking spaces added
- 400 acres of glades



2011

- Developed beginner terrain and added family oriented activities
 - Lower mountain terrain
 - Snowmaking installed
 - Turtle Creek Tube Park, Beginner area & lights installed
 - Kids Revelstoke Outdoor Centre (Kids ROC) developed
- Completed construction of Sutton Place Building 2
- La Baguette restaurant opened
- Upgraded washrooms at top of Gondola



2012

- Increased snow making equipment
- Activated automated weather station
- Installed winch cat anchors to expand groomed terrain



2013

- Added remote washrooms at Ripper Base
- Developed Greenhorn green run
- Upgraded avalanche mitigation equipment
- Expanded gladed skiing terrain



2014

- Built and opened day spa
- Developed beginner run on Lower Mountain
- Constructed first multi-use summer trail on Lower Mountain
- Completed construction of Ninja Traverse
- Increased area served by snow making
- Installed additional bomb trams for Avalanche Control
- Expanded gladed skiing terrain



2015

- Expanded gladed skiing terrain
- Realigned Chopper and Greenhorn ski runs
- Expanded Cat Skiing area
- Expanded R-Gear retail store
- Built and opened 12 acre terrain park
- Installed 'The Pipe' mountain coaster



2016

- Opened 'The Pipe' mountain coaster
- Expanded terrain park
- Built 'The Gnome Zone' kids terrain park
- Designed and built 9 hole disc golf course
- Purchased 4 way Euro Bungee
- Summer multi-use trails started at top of Gondola
- Constructed viewing patio at top of Gondola
- Expanded gladed skiing terrain



2017

- Opened upper Gondola for alpine hiking & sightseeing
- Completed municipal wastewater connection to Revelation Lodge
- Installed water and wastewater services at Gondola top
- Built washrooms at Gondola top
- 30 km of multi-use trail expansions
- Run realignments and grading
- Entered multi-year deal to modernize snowcat fleet
- Upgraded lift capacity of the Stoke, and Revelation Gondolas.



RMR has built 1263 hectares (3121 acres) of lift serviced terrain that is the highest ratio of acreage per skier at one time in North America, and has approximately 15% more uphill lift capacity that can be added to existing lifts. Uphill lift capacity will continue to be added in response to market demand.

In 2016, the World Ski Awards voted RMR 'Canada's Best Ski Resort'. RMR will continue to establish its unique brand as a boutique world-class skiing destination similar to that of Telluride, Colorado and Jackson Hole, Wyoming, by adding year round activities and amenities that promote adventure tourism. Activities and amenities will be added such as lift serviced downhill and cross-country mountain biking and hiking trails in the alpine for the summer months; and lift accessed amenities such as cross country skiing trails that will be developed in the alpine to extend the winter season and in response to climate change.



RMR will also continue to add seasonal amenities, building on existing infrastructure and activities such as the mountain coaster that appeal to the high volume of tourists traveling through Revelstoke on the Trans-Canada Highway during the summer months.

A surplus of real estate inventory remains from implementation of the first phase of the Base Land's master plan that began in 2006. RAVI will not be proceeding with development of any additional real estate in the Lower Village until a significant percentage of the surplus real estate is sold, and the market demand for quality resort real estate improves. There are currently 25 lots, 120 condo units and 400 acres of land that remain unsold.

2.0 THE PROPONENT

The original *Mount Mackenzie Resort Expansion* master plan was submitted by Mount Mackenzie Resort Ltd. in December 2003 to Land and Water British Columbia Inc. under the requirements of the Commercial Alpine Ski Policy process. The corresponding Master Development Agreement was recorded in the name of RMR Inc. in 2006, and amended in 2007 to reflect the current owners - RMR Limited Partnership, and RAVI.

In 2008, Northland Properties Corporation purchased shares in RAVI and became the major shareholder just as one of the worst global recessions in generations began.

For several years prior to the summer months of 2008, the real estate market in the United States was increasing in activity fuelled by speculation due to the availability of subprime interest rates, easy access to credit, syndications parceling out loans, and loans of poor quality. With this easy access to credit, resort and recreation real estate development in North America was undergoing a period of unprecedented growth.

By the summer of 2008, widespread defaults on mortgages caused the collapse of several of the country's prominent Wall Street financial institutions and triggered the recession that has become commonly referred to as 'The Global Financial Crisis of 2008'.

The recreation and resort real estate sector devalued the most because investors focussed upon protecting their primary residences. In January 2009, The Rocky Mountain Resort Alliance released real estate sales data for 2008 compared to 2007. The number of 'units' that include homes, condos, land and other transactions decreased in every market with Vail, Colorado being the best performer with a 10% decrease, and Steamboat Springs, Colorado the worst at a 57.3% decrease. Aspen, Colorado decreased 55%, Whistler, British Columbia 39%, Park City, Utah 45.3%, Sun Valley, Idaho 46.7%, Telluride, Colorado 50%, and Jackson, Wyoming and Grand County 33.6%. Other than major resorts that are near major urban centres such as Vail and Whistler, the resort recreation real estate market has not yet fully recovered from the impacts of this recession.

2.1 Master Plan Update 2017, Introduction

RMR is located on Trans-Canada Highway 1 in the Columbia River Valley and Selkirk Mountains in Revelstoke, British Columbia.

RMR has been under development since 2005 and in operation since 2007. Primary winter activities focus on lift accessed skiing that utilize the northern and western aspects of Mount Mackenzie, while cat skiing operations are located on the southern aspects of Montana and Kokanee bowls. In 2007 RMR purchased Selkirk Tangiers Heli Skiing (STHS) allowing the resort to offer lift, cat and heli ski operations. Similarly, RMR opened for summer operations in 2015 to expand into an all season mountain resort.

In addition to expansion of on mountain terrain and activities, phased development of the village and residential neighbourhoods that were identified in the Base Lands Master Plan also proceeded. The first three buildings of Sutton Place that consists of ground level commercial, and a mix of privately owned condos and nightly rental accommodation above, were constructed as the first phase of the Lower Village. Mackenzie Landing and Monashee Estates bare land strata subdivisions were completed in 2008 and 2015 respectively to diversify RMR's real estate program.

The *Mount Mackenzie Resort Expansion* master plan was prepared for Land and Water British Columbia in December 2003 by a consulting team led by Enkon Environmental Ltd and outlined the ultimate resort plan under a phased development schedule. The corresponding Master Development Agreement was recorded in the name of RMR Inc. in 2006.

The Master Development Agreement requires the master plan to be updated from time to time to allow RMR to review and re-evaluate the Approved 2003 Master Plan and phasing schedule to take into account changes in technology and trends in the ski, golf or four season industry as well as the preferences of the public.

RAVI, Harry Measure + Associates and Brook Mark Consulting Ltd. have prepared the 2019 RMR Master Development Plan Update as requested by the Province. This update includes an inventory of improvements to facilities, infrastructure and programs; short, medium and long term plans for four season recreation programs and activities, and an updated development phasing strategy.

2.1.1 Report Structure

This Master Development Plan (MDP) Update is not a new Master Plan document and does not replace the 2003 Approved Master Plan, but rather is an addendum to the approved 2003 Master Plan to provide an update of improvements to date, revise timelines and development phasing based on ground-truthing and operations experience, as well as to provide any new concepts that were not originally contemplated in the 2003 Master Plan. This update satisfies a requirement unto the Master Development Agreement between RMR Ltd. And the Province of BC. The approved 2003 Master Plan can be obtained from the Provincial website at the following address: <https://www2.gov.bc.ca/gov/content/industry/natural-resource-use/resort-development/proposed-approved-resort-master-plans/list-of-approved-plans/revelstoke>

2.1.2 Vision

RMR has become a global, all-season boutique resort destination with rustic mountain architecture and environmental design that celebrates its natural context, and complements the historic Victorian urban fabric of the City.

The primary on-mountain activities are lift & cat serviced skiing on the slopes of Mount Mackenzie during the winter months; and adventure / eco-tourism activities such as lift assisted sightseeing, a mountain coaster, hiking and mountain biking during the summer

months. As the resort expands, a range of seasonal and year round activities such as cross-country skiing / hiking trail networks, and an adventure park will be developed.

A wide array of recreation amenities and activities, residential neighbourhoods that offer a diversity of accommodation types, and a mixed-use village first identified in the 2003 RMR Master Plan will continue to be developed in the resort's base lands, and will be linked together by multi-use trails and ski-ways. The mixed-use village that includes personal residences, nightly rental accommodations, as well as a variety of shopping, dining and entertainment experiences will be developed in the direction of the City of Revelstoke, complementing its historic commercial core.

As RMR develops it will also serve as the 'Base Camp' that accommodates tourists who visit throughout the year to participate in the numerous adventure and eco-tourism activities that are available at the resort and throughout the region.

2.1.3 The Proponent

Incorporated in 1963, Northland Properties Corporation (NPC) is Canada's largest family owned hospitality group, and is the parent company to RMR. NPC is 100% Canadian owned with head offices in Vancouver and Calgary and employees across Canada.

Northland Asset Management Company (NAMCO) manages residential and commercial assets of NPC in British Columbia, Alberta and Saskatchewan. To date, NPC has invested over \$ 200,000,000 in RMR. RMR Limited Partnership is located in the Northland Properties Corporation head office at:

310 – 1755 West Broadway

Vancouver, BC V6J 4S5

Phone: (604) 730-6638

Mr. Dave Brownlie, (President: Revelstoke Mountain Resort)

The address of the Assignee for the service of notices and documents under the Master Development Agreement is the same as outlined in the forgoing.

Mr. Shamlin R. Pillay may be contracted for any financial information regarding this Master Plan Update. Mr. Pillay may be reached at:

310 – 1755 West Broadway

Vancouver, BC V6J 4S5

Phone: (604) 730-6611

Senior Corporate Counsel, Rob Toor, may be contacted for any corporate information in this Master Plan Update. He may be contacted at:

310 – 1755 West Broadway

Vancouver, BC V6J 4S5

Phone: (604) 730-6633

2.1.4 Consulting Team

NPC provides professional services to RMR in specialized fields associated with the design, development, marketing and operations of hospitality, tourist accommodations, and all-season resort facilities through its in-house team that is based full-time in the corporate head offices in Vancouver, and through management at RMR.

Harry Measure + Associates is a planning, design and development consultancy based in Whistler, British Columbia and was retained by NPC to assist the NPC in-house team with the RMR Master Plan Update. Harry Measure + Associates specializes in the planning and design of resort, recreation and tourism venues, and has acquired globally recognized expertise in all-season mountain resort development planning and architecture.

Brook Mark Consulting is an environmental and mapping consulting firm that has been working with RMR for over 6 years, specializing in project coordination, environmental services, safety coordination and Geographical Information Systems. Brook Mark has been retained to assist the NPC in-house team with the RMR Master Plan Update as well as the environmental management plans, contingency plans, and development projects.

3.0 MOUNTAIN PLAN AND COMPETITIVE RESORT ANALYSIS

3.1 Background

The original document, the Mt. Mackenzie Mountain Master Plan (2003), describes the proposal for development of lifts, ski runs, on-mountain buildings, and related support facilities on Mt. Mackenzie. No additional studies have been required as significant changes are not proposed.

3.2 Goals and Objectives

From its beginning, the primary goal of this project was to create a successful, year-round recreational resort on Mt. Mackenzie that would become a global destination. The development of tourism on an ambitious scale was intended to stabilize and diversify Revelstoke's economy, revitalize the city's urban fabric, and broaden the tax base with infill development between the resort and historic city centre.

The initial planning exercises considered the retail, recreational and cultural facilities available within the existing community and planned to enhance these. Retail and commercial services at RMRs base are intended to serve resort guests primary needs, it is also expected that guests will frequent complementary retail and commercial services within the City's core and highway commercial areas. Similarly, recreational and cultural activities are designed to broaden those already available to local residents such as the environmental education centre, equestrian centre and expanded trail network.

The integration of RMR and the City of Revelstoke will continue to enhance competition within regional and destination recreation tourism areas and provide further year-around economic stability for the community. RMR will continue to add recreational, commercial and cultural opportunities to those that already exist within the City of Revelstoke, with the goal to develop an exciting and vibrant resort community that benefits both residents and visitors alike.

3.3 Mountain Development Analysis

3.3.1 Introduction

The mountain development analysis that was completed in 2003 identified specific natural resources, elevation analysis, fall-line, slope aspect analysis, and climatic conditions. This is the standard information that is typically required to develop skiing facilities. Development that has occurred during the past ten years has been guided by the criteria from this analysis.

The following tables outline the elevation, terrain and snowfall utilized for development:

Elevation	
Lift-Accessed Vertical	1,713 metres (5,620 feet)
Lift Top Elevation (The Stoke Chair)	2,225 metres (7,300 feet)
Bottom Elevation (Lower Village)	512 metres (1,680 feet)
Sub Peak Elevation	2,340 metres (7,677 feet)
Mt. Mackenzie Summit	2,466 metres (8,058 feet)

Table 2: Elevation

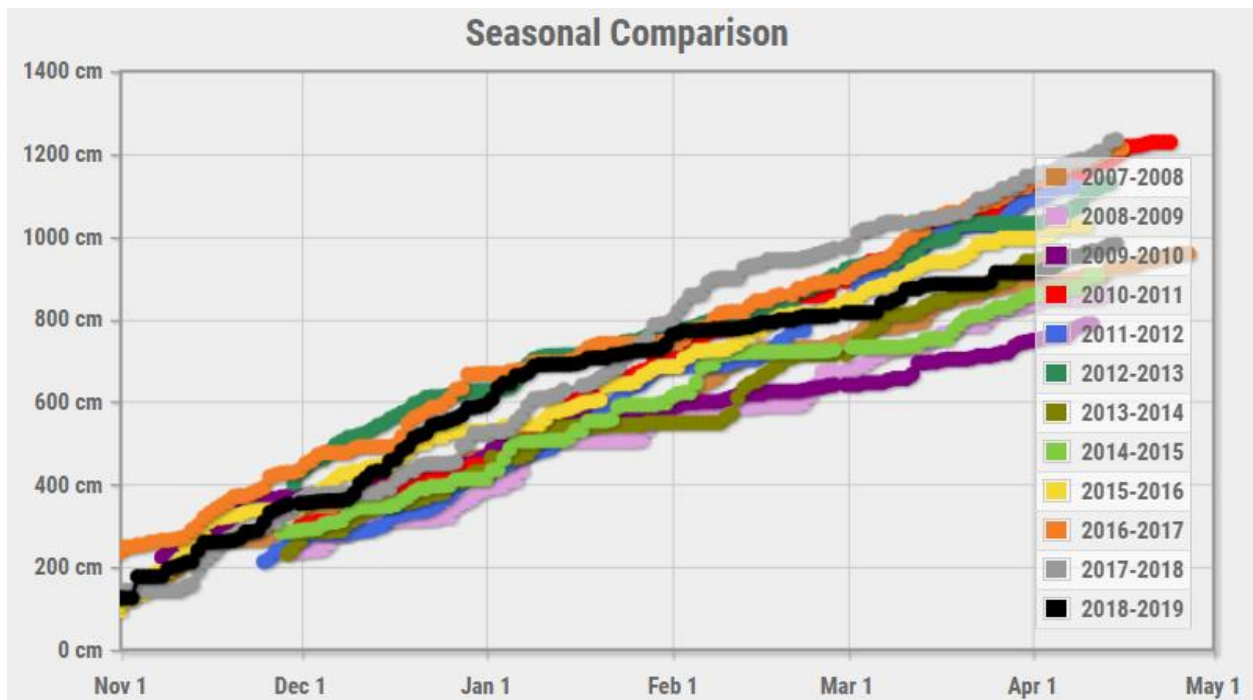
Terrain	
Terrain Breakdown	1,263 hectares (3,121 acres) 7% beginner 45.5% intermediate 47.5% advanced
Runs & Areas	69
Longest Run	The Last Spike 15.2 kilometres (9.5 miles)
Bowls	2 bowls (North and Greely)

Table 1: Terrain



Historical Snowfall Tracker			
RMR	9-14 metres (30-45 feet)	Selkirk Mountains	12-18 metres, (40-60 feet)

Table 3: Historical Snowfall Tracker



Historical Snowfall Tracker

3.3.2 Site Inventory

The present mountain development has encompassed approximately 1,263 hectares (3,121 acres) of Crown Land and 43 hectares (109 acres) of private land, at RMR Base in the original 5,100 hectares (12,600 acres) project study area. Build out of the resort will encompass approximately 2,600 hectares (6,400 acres) of Crown Land and 480 hectares (1,190 acres) of private land.

The highest elevation of the resort is the summit of Mt. Mackenzie at 2,455 metres (8,055 feet) with 1,713 vertical metres (5,620 feet) serviced by two high speed quad chair lifts, two eight-passenger gondola lifts, and two dedicated beginner slopes that are serviced by Magic Carpet conveyor lifts.

On slope amenities at the base of the mountain includes a multi-grade beginner slope, Turtle Creek tube park (removed in 2018 for beginner area expansion) and a 4-way Euro Bungee serviced by a 'Magic Carpet' lift.

Summer operated amenities include The Pipe mountain coaster, 28km of multi-use trail networks from the Lower Village to Mount Mackenzie's sub-peak, a 9 hole disc golf course, numerous foot and bicycle race events, sight-seeing and viewing decks at the top of the gondola.

Food and beverage, and service outlets in the Lower Village include:

- The Rockford Wok | Bar | Grill full service restaurant,
- The Mackenzie Common après ski tavern,
- La Baguette coffee shop and bakery,
- R-Gear retail store,
- RMRs rental and equipment repair shops,
- Feather and Stone Day Spa that is an Aveda spa that includes:
 - Pool and hot tub
 - Fitness room
 - Services such as massage, body treatments, and facials

Guest Services, a ticket and pass office, and the Revelstoke Outdoor Centre (ROC) are located on ground level of Building 1 Sutton Place between the village entrance and the gondola staging area. These services offer summer and winter lift ticket sales and outdoor activity bookings that include cat and heli skiing sales and enrolment in the snow school. Further south in the village is the Kids ROC designed for children's snow school lessons and evening activities. It is equipped with a ball pit, kitchen for lunches and offers other activities such as arts, crafts and movie nights. Mountain Childcare that is for children aged 18 months to six years, is located near the Turtle Creek Fun Park staging area. The lift-accessed Revelation Lodge at the gondola mid-station and Mackenzie outpost at the top of the Upper Gondola offer on-mountain dining options.

User recreation facilities and infrastructure are located around the mountain at key locations as well. Warming huts are provided for winter visitors at the top of the gondola and the top of the Stoke chair. Washroom facilities at the top of the gondola were upgraded in 2017 and are available for all season guests. Washroom facilities provided at the base of the Ripper for winter guests. Multi-use trails were developed at the top of the gondola to serve both summer and winter guests with access to viewing decks for summer guests that overlook the City of Revelstoke to the north of the gondola station and Mount Begbie to the south of the gondola.

3.4 Mountain Master Plan

3.4.1 Summary of Mountain Facilities

Currently, RMR's Mountain Operation's primary maintenance facility is in a 3-bay shop located northeast of the gondola mid-station, and is headquarters to the operators and maintenance activities of the grooming equipment, lifts and snowmobiles. To the south of the Lower Village is a secondary maintenance facility servicing construction and snow removal equipment, and a carpentry shop.

In 2014, patrol dispatch was moved from Revelation Lodge (formerly Mid Mountain Lodge) to the Village center with sufficient space to better serve patrons, and with better emergency services access. Patrol stations are also located at the top terminal of the Revelation Gondola, top terminals of The Stoke and Ripper chairlifts, and in Revelation Lodge.

Revelation Lodge serves as RMR's primary ski lodge providing cafeteria-style food and beverage, a lounge, a brown bag lunch area, and an outdoor patio to a total seating capacity of 433 patrons. Revelation Lodge is also used as a year round venue for private and corporate events, sight-seeing guests, tour groups, live music, festivals, weddings, presentations and fundraising events.

Food and beverage is also available at the Mackenzie Outpost that is located at the top of the Revelation Gondola. Warming huts are available at the top terminals of The Stoke chairlift and the Upper Gondola, with standalone washrooms at The Ripper chairlift staging area, and top of the Upper Gondola.



Summer tourism activities opened in 2015 with buffet brunch available with sight-seeing at the Revelation Lodge, and opening of the Mackenzie Outpost with *grab & go* style options in 2017.

Lifts

Lift alignments have been chosen to service the terrain efficiently and maintain interconnectivity. The terrain is serviced by a 2 stage enclosed gondola, 2 detachable chairlifts, and 2 magic carpet surface lifts as summarized in the table below:

	Turtle Creek	Lil' Bit	Revelation Upper	Revelation Lower	The Stoke	The Ripper
Make	Carpet	Carpet	Leitner / Poma	Leitner / Poma	Leitner / Poma	Leitner / Poma
Model	76 cm (30") Boardwalk	76 cm (30") Boardwalk	Omega 8p 43 tire	Omega 8p 43 tire	Omega 4P	Omega 4p
Year Built	2011	2007	2007	2008	2007	2008
Slope Length	176 m (580')	103 m (338')	2390 m (7843')	1010 m (3316')	1902 m (6240')	1880 m (6168')
Vertical Rise	30.5 m (100')	15%	900 m (2953')	280 m (919')	633 m (2077')	528 m (1732')
Capacity	1800pph	1500pph	1800pph	1800pph	1820pph	1800pph
Downhill Capacity	-	-	100%	100%	10%	10%
Line Speed	.8m/s (2.6 ft/s)	.8m/s	6.1m/s (20 ft/s)	6.1m/s (20 ft/s)	5.08m/s (16.6 ft/s)	5.08m/sec (16.6 ft/s)
Ride Time	4min	2min	7min	2.8min	6.3min	6.2min
Drive	Top	Top	Top	Top	Top	Top
Towers	-	-	26	10	23	23
Grip Type	-	-	Omega TL	Omega TL	Omega TL	Omega TL
Carrier Type	-	-	Omega IV 8 LWI/SI	Omega IV 8 LWI/SI	Omega Quad Bail	Quad

Table 4: Lifts

Table 5: Lift Capacity and Utilization, the Gondola is currently at 66 % of its maximum capacity and the Stoke and Ripper Chairlifts are at 70% of their maximum capacities. Cabins will be added to the Gondola system and chairs will be added to the Stoke Chair in response to skier demand. Additional cabins and chairs will be added during the fall of 2017 to accommodate the increase in skier visits anticipated for the 2017 / 2018 ski season and increase operational efficiency on record days.

Lift	2016 Carriers	2016 Capacity	2017 Increase	Max Carriers	Current PPH	2019 Carrier increase	Max PPH
Lower Gondola	29	66%	6 cabins	44	1800	44	2800
Upper Gondola	57	65%	18 cabins	88	1800	88	2800
Stoke	99	70%	21 chairs	141	1820	141	2600
Ripper	97	70%	0	139	1800	139	2600

Table 5: Lift Capacity and Utilization

Snowmaking

In the fall of 2011, RMR constructed a snow making system on the ski runs between Revelation Lodge and the Village. The system was expanded in 2013 and now covers approximately 60 ha between 525m and 800m elevation and includes 23 hydrants, below ground water, air and electrical lines. The system's water is supplied by a ground water well (ID WIN35535) to provide snow making to the lower mountain to supplement the steadily decreasing natural accumulation. The system allows the resort to focus on maintaining groom-able, open beginner terrain near the lower village.



Snowmaking in the Turtle Creek Beginner Area and Tube Park

The 57.63 metre deep snow making well was drilled within RMR's lower mountain area approximately 206m southeast of the mid-mountain day lodge. Kala Geosciences Ltd. (Kala) was retained by RMR to monitor and report on a 72-hour pumping test in December 2011 measuring drawdown interference at the Revelation Lodge's potable water well. Thomas Brook and Goch Creek. Analysis of pumping test data and seasonal flow rate monitoring was used to calculate maximum safe pumping rates and schedules as well as recommendations regarding environmental conditions. The 2011-2012 operating season freshet provided the background information for the 2012 Drainage Assessment. The system is operated from November 1 (weather dependent) to mid-February.

Expansions to the existing system will be added in the future to service ski in/ out residential lots and additional beginner terrain.



Turtle Creek Beginner Area and Magic Carpet

Recreation

RMR's activities are organized and operated through the Revelstoke Outdoors Centre that is located between Guest Services and the Rental Shop in the Lower Village and includes the following:

Winter:

- Alpine skiing/snowboarding
- Cat skiing
- Terrain Park
- First Tracks
- Snow safety training
- Sight-seeing gondola rides
- Columbia Star Gazing
- Tubing Park
- Weddings
- Lift accessed backcountry touring
- Paragliding (3rd Party)
- Snowshoe tours
- Kids Centre
- Nordic lessons
- Dog sledding (3rd Party)
- Snowmobile tours (3rd Party)
- Turtle Creek Bungee
- Conferences

Summer:

- The Pipe Mountain Coaster
- Sight-seeing gondola rides
- Basic hiking
- 9 hole Disc Golf
- Conferences (Sutton Place and Revelation Lodge venues)
- Paragliding (3rd Party)
- Turtle Creek Fun Park
- Heli adventures
- Heli weddings
- Weddings
- Festivals

Future recreation activities that are being considered include:

Winter:

- Cross country skiing
- Outdoor skating and hockey
- Dog sledding (on Resort lands)
- Kite boarding
- Ice climbing tower
- Kids snowmobile tours
- Hut to hut ski touring
- Fat biking

Summer:

- Expanded adventure rides
- Expanded hiking
- Interpretive trails
- 18 hole disc golf
- High ropes park
- Downhill mountain biking
- Cross country mountain biking
- Golf facilities
- Hut to hut mountain biking / hiking
- Geo-caching
- High elevation training camps
- Guided equestrian trail rides
- Eco tours
- Zip lines
- Festivals
- Scrambling & Via Ferrata
- 18 hole golf course
- Ropes Course

3.5 Operational Plans Associated with Cat and Heli Skiing Operations

3.5.1 Introduction

Since 2007, RMR has offered lift, cat and helicopter services to access 208,000 hectares (515,000 acres) of ski terrain.

3.5.2 Operational Plans

Cat Skiing Operations

CAT Powder Skiing Inc. held prior rights for use of areas within the resort CRA for operation of its snowcat skiing program. The prior rights were outlined in agreements between the City of Revelstoke, CAT Powder Skiing Inc. and the Province that allowed them to continue operation of the program. CAT Powder Skiing Inc. held the tenure from 1987 until April 2005 when the tenure was acquired by RMR. The cat skiing operates primarily in the Montana and Kokanee bowl areas of the tenure, with potential future growth to the Mt. Cartier portion as the resort expands and experiences more visitors. This tenure is managed and operated separately from the Mt. Mackenzie Controlled Recreation Area.

Heli Skiing Operations

Heli-skiing is operated by Selkirk Tangiers Helicopter Skiing (STHS) who have been in business for 40 years. Selkirk Tangiers was purchased in 2007 by RMR allowing the heli-ski program and the resort to combine their terrain and offer guests access to world class helicopter skiing/boarding, cat skiing/boarding as well as lift accessed alpine resort skiing/riding out of the Lower Village.



Selkirk Tangiers celebrates 40 years of heli skiing this winter



RMR Cat Skiing



Selkirk Tangiers Helicopter Skiing

3.6 Resort Competitive Analysis

3.6.1 Introduction

The resort competitive analysis cited in the 2003 Mount Mackenzie Resort Expansion document noted that Mt. Mackenzie would draw skiers from the local, regional and destination markets. The development of Mt. Mackenzie (later renamed Revelstoke Mount Resort) would cause a nominal reduction in skier visits (less than 1%) at nearby resorts such as Silver Star and Kicking Horse, because Revelstoke residents would no longer travel to other larger areas.

As speculated in the 2003 master plan, the development of Mount Mackenzie Resort has not impacted skier visits at other resorts within the region that compete for a share of the market. The remote location of Revelstoke Mount Resort (RMR) and poor highway conditions due to heavy storm cycles, accidents, and avalanche hazard cause frequent road closures of the Trans-Canada highway and discourage visitors from traveling by private vehicle during the winter months. There are also many regional resorts en route to Revelstoke that deter many skiers from traveling beyond the resorts that are closer to Vancouver, Calgary, Kamloops, Kelowna and Vernon.

The regional/destination market has demonstrated that development of RMR as a unique niche destination has been absorbed without any significant negative effect on other resorts. The resort competitive analysis cited in the 2003 Mount Mackenzie Resort Expansion document noted that RMR was unique to all other all season mountain resorts within British Columbia due to its relative remoteness, its extensive terrain, and its appealing snow conditions that are capable of attracting skiers from the regional / destination and destination markets similar to those markets that visit Telluride, Colorado and Jackson Hole, Wyoming in the United States.



RMR has a healthy mix of visitation between the Regional and Destination markets.

Based on recorded lift ticket sales statistics, growth in the sales of seasons passes from the end of 2008-09 to the end of the 2015-16 season was approximately 4.8% per annum, while growth of day ticket sales was approximately 9.2% per annum. The average growth of the season passes and day ticket combined sales during this period was approximately 7%. The growth in the initial planning phase was projected to be approximately 645,000 visits in its 10th year of operation, expecting an unrealistic growth of over 220% in this same period. Part of this forecast assumed that the drive in market would achieve 284,000 skier visits in the 10th year of operation. While that was ambitious, it is closer to the total skier visits - including drive-in, local and destination markets – that resorts in BC experience. None of the “Greenfield Resorts” in British Columbia have achieved in excess of 300,000 total skier visits in their first 10 years of operation.



The Pipe Mountain Coaster has been a significant driver of summer visitation.

During the summer of 2015 a summer operations program was launched and the lower gondola was opened for site seeing and contributed 10,330 ticket sales to the total annual lift ticket sales. During the summer of 2016 the number of lift ticket sold for the gondola rose to 102,200. This increase in lift ticket sales of approximately 890% over the previous 2015 summer season was primarily attributed to the first season of operation of the Pipe Mountain Coaster adventure ride that was very popular with guests.

Due to the challenged access by vehicle to RMR during the winter months, skier visits have not increased dramatically and growth will be limited until further improvements have been made to the Trans-Canada Highway.

Air access to Revelstoke from destination markets has historically been through the Vancouver, Calgary, and Kelowna International Airports. Access to Revelstoke from the Calgary and Vancouver airports would require a shuttle of a minimum of 6 hours under good highway conditions, and a shuttle of a minimum of 2.5 hours from the Kelowna airport.

On January 26th, 2017 Revelstoke Air launched regularly scheduled flights on Thursdays and Sundays through March 16th, 2017 from Vancouver's South Terminal. The 15 seat Beechcraft 1900 series is also available for private charters to and from Vancouver, Calgary, Edmonton, Saskatoon and Seattle. In 2017, 85% of the available seats were sold. Due to its success, this service will be expanding with twice as many flights during the 2017-2018 winter only operating season.



Revelstoke Air launched regularly scheduled flights between Revelstoke and Vancouver on January 26, 2017.

Dash 7's are currently capable of landing on the existing air strip. This larger plane flies into the Waneta airport on the Columbia River mesa near the Canada-US border south of Trail, BC that has similar terrain and climatic conditions. This service is operated daily year round by Pacific Coastal from the south terminal of the Vancouver International Airport. However, upgrades to the Revelstoke Airport including increasing the size of the terminal, size and direction of the runway and the introduction of minimal airport security will be required before many additional flights can be added. To be able to achieve any service from feeder markets such as Seattle, Vancouver or Calgary would require significant security upgrades at the local Revelstoke Airport as existing security does not meet standards. Upgrades of this magnitude would require the support and assistance of the regional, provincial and federal governments.

Direct air service to Telluride, Colorado and Jackson Hole, Wyoming from regional and destination markets began with similar carrier types and schedules and is now the preferred means of travel to these resorts among regional and destination skiers. It is noteworthy that approximately 70 per cent of the skier visits to Telluride, Colorado arrive by air to the Montrose regional airport and then travel 1.5 hours by shuttle to the resort, or fly directly to the local airport in Telluride.

3.6.2 Skier Visit Trends

Since the late 1990's, the sport of skiing has been declining in popularity globally for several reasons such as an aging Baby Boomer population, the rising costs of skiing, shifting weather patterns due to climate change resulting in poor snow years, the 2008 Global Financial Crisis, the impacts of 9-11 and the increase in terrorism. Although there was a decline in skier visits to mountain resorts, there has also been an increase in year round visits due to mountain resorts gaining in popularity as these resorts increase their non-winter amenities and activities.

Despite the factors that have contributed to a decline in skier visits to mountain resorts globally, ski resorts in British Columbia were stable during this period and are now experiencing a period of growth for several reasons. The staging of the 2010 Winter Olympics in Vancouver and Whistler increased the global awareness of British Columbia as a quality skiing destination. The low Canadian dollar, safety and lack of tourist visa requirements have attracted large numbers of skiers to BC from the USA and Europe. The rapidly developing skiing industry in China, and recent emergence of the Mainland Chinese as the world's largest outbound tourist nation is starting to reflect in the year-round visitor numbers to British Columbia mountain resorts.

In 2016, Vail Resorts purchased Whistler / Blackcomb Resort in British Columbia. Vail Resorts owns eleven major resorts in the United States including Vail, Beaver Creek, Breckenridge, Keystone, Park City, Heavenly Valley, Northstar, Kirkwood, Wilmont, Mt. Brighton and Stowe. In 2016 Vail also purchased Perisher Resort in Australia that is the most visited ski resort in the Southern hemisphere.

Since its purchase by Vail Resorts, Whistler Blackcomb has experienced record skier visits during the 2016-17 season due to good skiing conditions, lift ticket pricing incentives, the low Canadian dollar and the marketing of Whistler / Blackcomb through Vail Resorts international network. British Columbia ski resorts are in the position to gain global exposure as attractive skiing destinations through Whistler Blackcomb resorts increasing popularity in the international market.

Through creative marketing programs, RMR can benefit from the international popularity of Whistler Blackcomb Resort among skiers and year round tourists as Telluride became a boutique destination based on exposure through the international reputation of Colorado's large resorts such as Vail and Aspen.

During the 2016 / 17 season, RMR joined the Mountain Collective; a prestigious by invitation-only multi mountain pass product bringing together some of the world's best independent ski areas. Membership in the Mountain Collective has added over 12,000 destination visits to Revelstoke this winter, and exposed the RMR brand to valuable destination markets in the United States.

Following the success of the Mountain Collective program, RMR recently partnered with the Alterra Mountain Company as a participating resort on the IKON Pass. The IKON Pass went on sale in March 2018, making its debut for the 2018.19 season. The IKON Pass offer skiers and riders access to 37 iconic destinations, including 5 or 7 days at Revelstoke Mountain Resort.

The IKON Pass is a natural fit with RMR's destination marketing strategy. There is a large concentration of IKON Passholders in markets such as Ontario, Quebec, Colorado and California, where there is already a high level of awareness for Revelstoke. Visitation from these markets is expected to grow substantially with upwards of 15,000 visits anticipated for the 2018-19 season.



RMR is an IKON Pass and Mountain Collective Resort.

The majority of the estimated 3.5 million people who pass through Revelstoke on the Trans Canada annually travel during the non-winter months. The growth in summer lift ticket sales from 2015 to 2016 is largely due to the addition of the mountain coaster. This significant growth in summer lift ticket sales indicates that RMR is in a unique position to develop an ambitious summer activities program to appeal to this market.



RMR is in a position to further develop its summer activities program.

3.6.3 Competitive Analysis

A comprehensive analysis was completed in the original planning phase in 2003 assessing RMR's viability to compete for skier visits within the local, regional and destination markets, and as such, no further analysis has been conducted.

4.0 PHASED DEVELOPMENT SUMMARY

4.1 Phase 1 – RMR's Current State

The initial phase of the resort development was structured to maintain a balance of mountain capacity and services with skier demand. The Master Plan provides for mountain infrastructure phasing with flexibility on both the order and timing to adapt to changing market and financial conditions. The development schedule is guided by extensive planning conducted with industry and market specialists, as well as the previous ten years of operating experience.

Extensive capital investment made in resort infrastructure combined with significant marketing and sales efforts over the last 10 years has fostered high levels of interest in RMR from both regional and destination guests. RMR is already recognised as one of the best ski resorts in the world given its abundant snowfall and quality terrain. The expansion of summer attractions, including hiking, sight-seeing, and the Pipe Mountain Coaster, are also being well received. With continued investment in high quality facilities on the mountain and in the base area, we expect to attract an increasing share of the destination mountain travel and real estate market. The priorities outlined below are focused on a sustainable development plan that continues to improve the guest experience on a year-round basis at a rate supported by visitation growth.

The tables in Appendix A outline the present state of RMR's Comfortable Carrying Capacity (CCC) as well as associated recommended service function areas, broken down to both operating as well as guest service space, and the recommended on-slope lunchtime seating.

Taking the concepts of the initial plan through preliminary design stages, in collaboration with the City of Revelstoke, it was realized that contributing to upgrades of the City infrastructure (water, sewer, road, and waste water treatment plant upgrades) was more feasible than constructing independent resort infrastructure. In addition to utilities, the transportation, and socio-economic impacts of the lower village made it a priority in the early stages of Phase 1.

Development of on-mountain support services aligned with the initial development phase with the construction of the maintenance shop, snow cat purchases, as well as construction of first aid facilities and expansion of the Revelation Lodge in the Upper Village. Through the first season it was realized that portal parking requirements were much greater than anticipated.

In consideration of a number of factors including the priority to develop the lower village, operational considerations of Cat Powder Inc., and the benefits of enclosed gondola cabins, priority lifts and infrastructure was revised.

Though implementation of the development plan was adjusted, the CCC of each phase through buildout remains inline as outlined in Tables 1-1 to 1-4 in Appendix A. Figures are included in Appendix B.

4.2 Phase 2 – The Next Ten Years

The next stage of resort development, to begin in 2019, has been separated by development type, and is outlined below.

4.2.1 The Village

The third phase of base land development, to begin in 2019, has been divided into five categories as outlined below:

Hotel & Conference Centre

A 154 room hotel and conference centre to begin construction in 2019. The building will include approximately 683 sq. m (7,350 sq. ft) of food and beverage space, 836 sq. m (9,000 sq. ft) of retail space, 624 sq. m. (7,620 sq. ft) of conference and meeting space, as well as 209 parking spaces.

Golf Course

Development of an 18-hole championship course, practice facility, hotel with a clubhouse, maintenance facilities, and further commercial and residential opportunities. This will include the realignment of Camozzi Road.

Employee Housing and Parking

Includes 9.19 hectares (22.7 acres) in the Lower Village and will accommodate a minimum of three employee buildings containing 150 to 200 bed units per building. The buildings will include accommodation, lockers, and office space for Resort Operations. Construction of an initial building will begin alongside the development of the Hotel and Conference Centre. Additional employee housing buildings will be developed in later stages of this phase as required by housing demands for resort staff.

In addition to employee housing, 800 additional public and staff parking spaces will be added in a 9-acre parcel.

Hillside Residential Lands

Includes 25.90 hectares (64 acres) in an area donned as the "South Bench". This area will contain a mix of multi-family and single family residential units in a variety of sizes to appeal to various levels of the real estate market. The Hillside lands will begin development in Phase 2 and will continue through to build-out.

Village Core

Approximately 12.95 hectares (32.0 acres) to the north of The Sutton Place Hotel, the Village will be anchored by a pedestrian plaza, walkways, and trail network. The

development will include a luxury hotel, additional condo/hotel buildings, along with commercial and residential opportunities. The Village will also extend south to a new base lift area creating a Lower Village adjacent to the Hillside Residential Lands. Recreational development will be intertwined with the development of the Village Core with signage, play structures, trail networks, nature interpretive trails and recreation opportunities.

4.2.2 On-Mountain Winter & Operations Facilities

The development of lifts and terrain will be prioritized to accommodate growing visitation and encourage continued growth from destination markets. A combination of lift, trail and facility developments will also allow RMR to create a balanced ski offering while providing a diversified and comprehensive resort experience.

Phase Two priorities include a new chairlift, lift capacity upgrades, beginner and intermediate ski trails, glading, a dedicated beginner area in a more reliable snow zone, and additional lodge facilities at the Revelation Gondola top station. The new additions will increase skier capacity and improve the distribution of skiers across the mountain. These developments allow RMR to address existing demand and accommodate future growth.

The Revelation Gondola (Upper and Lower) and the Stoke Chair will see full capacity increases in this phase, as well as a capacity increase to the Ripper Chair. This increase in capacity will alleviate crowding during peak times.

The new Chair and beginner area carpet will provide a mid-elevation beginner and intermediate terrain expansion. This new area will provide a progressive learning area in a more reliable snow zone. In addition, Chair 11 will improve skier/rider distribution on the mountain, thus alleviating demands on the Stoke Chair.

In addition to these priority lifts and trails, on-mountain dining and operational facilities will also be expanded.

An upgrade to the Mackenzie Outpost kitchen (completed in December 2018), allows for a multi-faceted food and beverage menu at this location. The Mackenzie Outpost will complement a new Lodge at the top of Revelation Gondola.

The Ripper Top Warming Hut (completed in 2018) has improved the guest experience at the Ripper Chair and allowed for skiers and riders to spend more time in this intermediate terrain zone.

Focus will next be on developing high-demand, lift-accessed alpine terrain for intermediate and advanced skiers/riders. The continued addition of guest facilities, including warming huts, washrooms and food and beverage services will also be part of Phase Two.

An expansion into South Bowl will include Lift 18, the South Bowl Chair. This intermediate, high alpine terrain expansion of approximately 160 hectares (400 acres), features a

vertical drop of 600m and an average run grade of 35 – 55%. To facilitate prompt response to injuries and allow close monitoring of the resort's boundary, patrol facilities will be added as part of the South Bowl expansion. To ensure RMR is delivering its best product to market, operational expansions will also be developed for Phase Two, including an Upper Mountain Maintenance Shop (near the top of the Revelation Gondola), snow cat fleet expansion, as well as an expansion to the existing maintenance shop. Given the location of this expansion in relation to existing facilities, a warming hut and washroom facilities will also be constructed as part of this Phase.

Lift 13, the North Bowl Chair will provide access to advanced high-alpine terrain, feature extraordinary panoramic views, and add to the overall uphill capacity.

This improvement stage also includes upgrades to existing terrain along with expanded snowmaking infrastructure to ensure a reliable, high-quality snow surface for key areas of the resort. The top of the Ripper will also see continued upgrades with the potential for food and beverage and washroom facilities to accompany the newly constructed warming hut.

The final focus of Phase Two will be on increasing uphill lift capacity to accommodate increased visitation, as well as terrain development at higher elevations in more snow-reliable areas within the resort's current boundary. This phase includes Lift 15, which provides access to intermediate and advanced snow-reliable terrain, Lift 6, which provides access to beginner and intermediate snow-reliable terrain, and Lift 3, which offers increased access from the village.

These development timelines are estimates and will be ultimately decided by market trends and demands.

4.2.3 On-Mountain Summer

As planned, the summer season at RMR will grow in distinction and importance to the resort. It is anticipated that, in addition to the already popular Pipe Mountain Coaster, hiking, and sight-seeing attractions, the following summer attractions will contribute to growing summer visitor numbers and increase multi-day visitation.

- Expansion of the existing hiking / sight-seeing trail network.
- Development of a downhill mountain bike trail network with access from the Upper Revelation Gondola.
- Development of an alpine cross-country mountain bike trail network.
- Adding mountain bike related guest services, rental and retail facilities.
- Development of valley trail network plan and construction.
- High Ropes Course and ziplines.
- Summer Attractions Feasibility Plan.
- Continued expansion of the hiking and sight-seeing trail network.
- Continued expansion of the downhill mountain bike trail network.
- Implementation of key recommendations from the Summer Attractions Feasibility Plan.

Mountain Bike Trail Development Plans

RMR has carefully planned and designed a multi-use mountain bike trail network to appeal to enduro-biking, e-biking, cross-country mountain biking and downhill mountain biking, a variety not offered at any other resort in Canada. The focus of the mountain-bike development plan is to provide North America's premier lift access alpine and trail riding experience. The mountain-bike trail network development plan is focused specifically on intermediate to advanced endure-style riding.

Development of the trail network will occur in response to market demand and at a rate that allows for sustainable development, use and maintenance. The first phase will open in 2020, after an introductory soft opening in 2019. The first phase will include three trails as part of a downhill trail network covering terrain from the top of the Revelation Gondola to the gondola mid-station. The three trails include a beginner, intermediate and advanced trail. The second phase will include six trails from the top of the Revelation Gondola, consisting of a machine built green trail, machine built blue trail, single track blue trail, machine built black trail, single track black trail and single track red trail.

The alpine cross-country bike network has been designed to complement the iconic alpine trails in the Revelstoke area such as the Frisby Ridge trail and the Keystone Standard Basin Trail. Ski Area Magazine Reports in March 2018, "Over the last few years there's been a resurgence of lift access downhill mountain biking and resorts are responding by investing heavily in growing their bike parks. But for many cyclists, the lure of gravity fed thrill takes a back seat to pedaling and exploration. As a result, a growing number of resorts also offer vast trail systems for cross country mountain biking, popular for its low price barrier, low level of intimidation and high fun factor." The opening of the alpine network will include the Stoke Climb, Greely Trail, Subpeak Loop and 56-twenty down. Expansion of this network will include trail loops to Montana Bowl, and Ghost Peak.

5.0 INFRASTRUCTURE, TRAFFIC AND SOCIAL ISSUES

5.1 Infrastructure (Site Servicing)

Site servicing of phase 1, 2 and 3 of the Lower Village is complete. Water and wastewater is serviced by the City of Revelstoke municipal systems throughout the Lower Village.

The Revelation Lodge and the Snow Cat maintenance shop are supplied by a ground water well and water treatment plant located at the Revelation Lodge. In 2017 the wastewater holding tank that services the Revelation Lodge will be replaced by a hook-up to the municipal wastewater system, while the snow cat maintenance shop will remain on a septic system.

Facilities located at the top of the Upper Gondola station that include the Mackenzie Outpost and pit toilets are haul in/out waste and water systems. With the increase in summer activities at this location, RMR will be investing in on-site waste water treatment and use an existing ground water well to initially service the washrooms, restaurant and cabins, and later a lodge at this site. This site is intended to be accessed by the gondola so there will be no additional parking or road infrastructure upgrades necessary to service these guests.

BC Hydro demark is located to the north of the gondola mid-station terminal. Electrical power is run from this point to the top of each of the lifts along summer roads and ski runs. There are no current plans to upgrade this system.

5.2 Traffic

In 2008, RMR partnered with the City of Revelstoke and the Revelstoke Accommodation Association to provide a shuttle service within the city to the resort that operates from December to mid-April. No public transit is available outside of the four months provided by this service. This shuttle has had a significant impact on the reduction of traffic to and from the resort in personal vehicle use with over 49,000 passengers during the 2016 – 17 season. The reduction in personal vehicle use helps to alleviate congestion both en route through the City, as well as in the resort parking lots, thus reducing greenhouse gas emissions, improving air quality, saving energy and noise relief.



Resort Shuttle: a partnership between RMR, the City of Revelstoke and the Revelstoke Accommodation Association

BC Transit currently provides public transit service between downtown Revelstoke and the hospital to travellers who are predominantly seniors. This public transit service does not currently extend to the resort; however RMR, the City of Revelstoke and BC Transit are seeking to expand this service to the resort year round. This partnership recognizes that public transportation, in addition to the environmental advantages, provides many mobility, safety and economic benefits to travellers, residents and businesses in a community that contribute to a better quality of life.

RMR is working with the City of Revelstoke to develop a pedestrian traffic plan to address crossing of Camozzi Rd by guests during all seasons until further real estate sales justify the development of the final alignment of Camozzi Road that would include sidewalks and off-street trails.

5.3 Social Issues

RMR has in recent years partnered with the City community associations such as the Revelstoke Accommodation Association to organize, host, and promote Revelstoke's tourism market. RMR has also sponsored community organizations and events such as the local junior hockey league, Revelstoke Food Bank, Halloween and Canada Day Fire Works, Welcome Week, and regional environmental workshops. Additionally, they were significant contributors to the Hospital Helipad project as well as the Revelstoke Community Foundation. RMR will continue to support these and other community organizations and events.

The City of Revelstoke, like many other towns that are bedroom communities for the adjacent mountain resort, has recently seen a loss of rental accommodation that was available to residents because these properties have been converted, either legally or illegally, to nightly vacation rentals. The lack of available employee housing is now the major factor of employee retention in these towns. Local governments are pursuing solution to the problem created by nightly rentals through legislation such as zoning bylaws, business licensing and bylaw enforcement.

RMR will continue to meet its obligations to provide employee housing under the conditions specified in the CASP and the MDA. RMR has also been collaborating closely with other business owners and the Revelstoke Community Housing Society to deliver affordable employee housing throughout the community.

6.0 ENVIRONMENTAL

6.1 Environmental Stewardship

RMR continues to strive to be a leader in environmental stewardship; protecting the environment through recycling, conservation, regeneration, and restoration. The responsibility for environmental sustainability is a priority, in both operations and development.

The recent development of the RMR Green Committee has substantiated the commitment of RMR to make decisions in a greener direction; to provide environmentally friendly solutions for identified areas of improvement; to raise environmental awareness company-wide; and to assist in improving the RMR corporate image and become a more enviro-socially responsible company.

The key initiatives piloted in 2018 are waste reduction (including bottle waste, single use plastics, single use tickets, energy and office waste), recycling, fuel use, and the initial stages of development of a sustainability plan.

In addition, RMR embraces high standards of environmental stewardship while facilitating recreational development at the resort. Protecting fish, wildlife, riparian habitats, and the visual landscape is a priority, and an economic driver of the resort.

In the development and operation of the resort, RMR typically uses, monitors and manages an approach that follows Best Management Practices (BMPs).

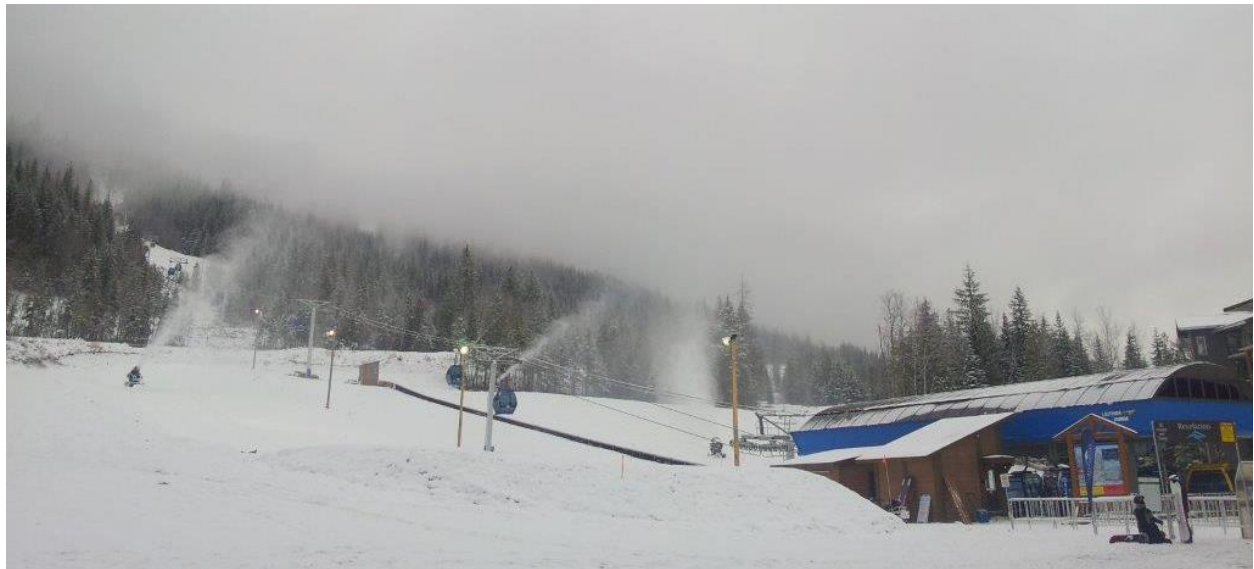
6.2 Environmental Management

Through its development and first 10 years of operations, RMR has followed the Environment Management and Monitoring plans outlined in the initial planning phase that included:

- Water Management Plan
- Solid Waste Management Plan
- Liquid Waste Management Plan
- Drainage Control / Stormwater Management Plan
- Erosion and Sediment Control Plan
- Soil Conservation
- Non-point Source Waste Discharge Control Plan
- Vegetation Management Plan
- Grizzly Bear Management Plan
- Air Quality Management and Monitoring Plan
- Spill Contingency Plan
- Wildland / Urban Interface Development Plan
- Fish Habitat Assessments
- Environmental Monitor Responsibilities

In addition, RMR takes care to follow provincial, regional and industry Best Management Practices in its development and operation, including, but not limited to:

- Standards & BMPs for Instream Works
- Wildland Fire Protection
- Wildlife Guidelines for Backcountry Tourism / Commercial
- Guidelines for Wetland Protection and Conservation in British Columbia
- BMPs for Tree Topping, Limbing and Removal in Riparian Areas
- BMPs for Timber Harvesting
- Department of Fisheries and Oceans Operating Statements
- Drinking Water Guidelines



Snowmaking in the Village Base Area.

Additional monitoring and management plans have been developed by RMRs Environmental Monitor in response to activities throughout operation and continued development and these include:

- Erosion and Sediment Control
- Thomas Brook Contingency Plans (various)
- Riparian Areas Assessments (various)
- Water Quality and Quantity Monitoring
- Snowmaking summaries and monitoring
- Snowmelt Study
- Liquid Waste Management
- Wildland Fire Protection Plan updates and Suppression Plans
- Spring Run-off / Drainage Monitoring program
- Grizzly and Mountain Goat Habitat Assessments
- Bear Hazard Assessment

- Invasive Species Reporting and Control Program
- Trail Design Standards
- Slope Assessments & Treatments (various)
- Terrain Analysis (various)
- Streamside Enhancements & Prescriptions (various)
- Environmental Site Declarations & Assessments
- Wildland Fire Protection Integration to City
- Groundwater Monitoring & Management Programs
- Wildlife Monitoring Programs
- Mt. Mackenzie Landslide Monitoring System
- Geotechnical Investigations (various)
- Gravel Quarry Reclamation
- Bird & Raptor Surveys (various)
- Snowmaking Drainage Impact Assessment
- Storm water Management Plan



Sediment fencing and soil erosion protection

7.0 FIRST NATIONS ENGAGEMENT

Revelstoke Mountain Resort is located in an area that has overlapping First Nations interests including Ktunaxa Nation Council, Secwepemc Nation including Adams Lake Indian Band, Neskonlith Indian Band, Little Shuswap Indian Band, Shuswap Indian Band and Splat's'in First Nation - and Okanagan Nation Alliance – including the Okanagan Indian Band.

Consultations with First Nations were conducted by Clearview Solutions Inc. during the initial Master Plan in 2003. Moving forward, RMR would like to develop partnerships and collaborate with local First Nations communities. Such efforts could include youth programs, cultural heritage, employment opportunities, training, and potential to work in unison on various research projects or studies.

Appropriate meetings to review future expansion plans and First Nations interests will be conducted as part of the development planning process.

8.0 PUBLIC CONSULTATION

Through the MDP update process, initiated in April 2018 public and agency comments were collected. These comments, where applicable, have been considered in this final update document. Additionally, the recent planning updates have been presented to the provincial and local governments. Continued stakeholder engagement is planned for future years.

8.1 Background

8.1.1 Concept Plan – 1999

Consultations to acquire input were conducted during the RMR's conceptual development phase with numerous stakeholders including public open houses, BC Assets and Land, Ministry of Forests, Ministry of Environment, City of Revelstoke and the Columbia Shuswap Regional District.

8.1.2 Master Plan 2003

During RMR's master planning phase, meetings were held to acquire public input into planning as well as to provide regular updates to various provincial, regional and municipal government agencies.

9.0 PRIOR RIGHTS - CAT POWDER SKIING INC. AND SURFACE WATER USERS

9.1 CAT Powder Skiing Inc.

As Cat Powder Skiing Inc. was acquired by RMR in 2005, there are no prior rights agreements to be addressed.

9.2 Surface Water Users

9.2.1 Background

Located at the base of the resort, to the south of the Lower Village is a small group of rural properties known as the Thomas Brook Water Users Group that have a "Good Neighbor Water System" that extracts water from an earthen pond along the channel of Thomas Brook. Their water system is comprised of two main lines originating from the pond and distributed across RMRs privately held property to the houses below.

9.2.2 Mitigation of Impacts

As there is no form of community water treatment (such as central disinfection and/or filtration facility) on the Thomas Brook System, users were put on a 'boil water' advisory. A number of other issues with the water system include an aging infrastructure, lack of governance or maintenance, resort development, and increased regulations protecting drinking water required the Interior Health Authority to impose a 5-year potable water program on the system beginning in 2012.

9.2.3 Water Supply Options

The users identified many challenges to complete the necessary treatment and infrastructure upgrades that would be required to meet the Drinking Water Quality Regulation on their own. Through collaborative efforts of the Thomas Brook Water Users Group, the City of Revelstoke and the Regional District, an application has been made for annexation and connection to the City municipal water System. This application to the City was approved in 2016 and the City has moved forward with grant applications and design of the water system. Construction began in August, 2017.

10.0 ECONOMIC ANALYSIS

An economic feasibility report was prepared by Economic Research Associates (ERA) in 1999, and updated in the 2003 document with current information and revenues and income from real estate. A new market analysis has not been conducted since.

In the 2015-2016 ski season, the 8th year of operation, RMR achieved only 34% of the annual skier visits that were projected to occur during the 10th year of operation. In addition, both the construction costs of mountain infrastructure and capital municipal infrastructure costs were significantly higher than initially projected, and the real estate market was stalled due to the impacts of the Global Financial Crisis.

In 2016, one lot and two condominiums were sold. Proceeds from these sales will be allocated to funding the ongoing construction of lifts and infrastructure that is associated with the master plan.

11.0 CONCLUSION

Since the original RMR Master Plan was prepared and submitted to Land and Water British Columbia Inc. under the Commercial Alpine Ski Policy process by Mount Mackenzie Resort Ltd in December 2003, many events have influenced implementation of the original plan.

Investment by NPC in RMR in 2008, just as the global financial crisis was beginning, enabled the ongoing development of the resort's master plan. Since 2008, NPC has invested approximately \$200 million in RMR.

To date, 1263 hectares (3121 acres) of lift serviced terrain has been built that is the highest ratio of acreage per skier in North America. There is also approximately 15% more uphill lift capacity that can be added to existing lifts and will be added in response to market demand.

Under NPC ownership and management, numerous resort-wide year round activities and programs have been created. The construction of Sutton Place buildings two and three was completed, and the Guest Services and retail areas on the ground level of building one in Sutton Place were built.

Development of accommodations and retail space in the near future will focus upon increasing the size of the village center to achieve the critical mass of nightly accommodations, retail, dining, and activities and amenities. Further development of the RMR Base Lands will focus upon infill northward, towards the City of Revelstoke's residential neighbourhoods and city centre to increase the connectivity between the resort and community. This infill will complement the City of Revelstoke's downtown core, residential neighbourhoods and community activities.

In addition to the hotel that will break ground in 2019, RAVI will proceed with development of real estate, and infrastructure projects in the Base Lands in accordance with the demands of the market.

Revelstoke Mountain Resort will continue to implement summer amenities and activities to further access the large volume of tourists that travel on the Trans-Canada Highway One and pass by downtown Revelstoke. The success of summer activities such as the mountain coaster has indicated that such activities are very popular with this market that will also shop, dine and stay in downtown Revelstoke.

At this stage in RMR's brand evolution, the expansion program focus is to further establish its unique brand as a boutique world-class year around destination by continuing to increase year round activities and amenities that promote adventure tourism. RMR remains committed to growth as outlined in the MDP, where growth will be defined by market demand in order to achieve a sustainable business model.