

WAY KEY



MARCH 2024

Community Update

Way Key LP

AT A GLANCE

WHO WE ARE

Way Key LP provides general timber harvesting, civil and earthworks, and aggregate/quarry services to the We Wai Kai region while also self-performing volume on We Wai Kai timber licenses. Way Key LP is a jointly owned company between We Wai Kai First Nation and the ROGA Group.

MEANINGFUL PARTNERSHIPS

With the cultural values of Indigenous community development as its foundation, Way Key LP places significant value in relationship building as the company continues to grow through various partnerships and clientele. Current clients include Western Forest Products (WFP), Mosaic Forest Management, Aecon-EBC, and BC Hydro.

OUR PEOPLE

As of March 2024, 31% of Way Key LP's workforce is comprised of Indigenous employees, with \$1.03 million in wages being disbursed to 27 Indigenous employees to date. Placing Indigenous workforce empowerment at the forefront, employees are offered numerous training opportunities to increase upward mobility and employability within the wider industry workforce.

EQUIPMENT

Way Key LP now owns an extensive supply of equipment, including crushing and screening equipment, multiple excavators, trucks for logging and hauling aggregates, and several pieces of logging equipment. Way Key LP is building up equity for the benefit of the community. The total net book value of equipment in Way Key LP and Way Key Sand & Gravel is \$11 million.

27

Indigenous
Employees

\$1.03M

In wages disbursed to
Indigenous Employees

31%

Of workforce is Indigenous

\$11M

Equipment value

Project Highlights

CELEBRATING OUR SUCCESS

AECON-EBC GENERAL PARTNERSHIP ON BC HYDRO'S JOHN HART DAM SEISMIC UPGRADES PROJECT

Way Key LP continues to deliver supplies to prime contractor, Aecon-EBC, as part of the \$21 million contract secured in 2023 to supply 1.23 million tonnes of aggregate and rock for for BC Hydro's John Hart Seismic Upgrades Project. With the majority of gravel products delivered, the focus is now on supplying rip rap products (various sizes of rock and minimum aggregate) for the next two years. The shift to providing rock from the quarry (versus aggregate from the pit) will lead to greater operational efficiencies. This is because the volume of aggregate delivered this fall and winter was significantly higher than in the original schedule, and Way Key Sand & Gravel added additional shifts and resources to complete a 7-month planned production run in 4.5 months. Operations will now be consolidated in the quarry and challenges of this nature are not expected following the shift in material production.

Way Key Sand & Gravel will continue production in the quarry until project completion in 2026. This includes drilling and blasting to fragment the rock, sorting and processing the various products, and transportation to the site.

21%

Of total volume delivered
to March 31st

BC HYDRO LKT STRATHCONA DAM EARLY WORKS CLEARING

In the beginning of January 2023, Way Key LP began clearing the Strathcona Dam site in preparation for BC Hydro's upgrades that will result in the construction of a low-level spillway.

Way Key LP completed the bulk of the site clearing work in February, 2024, which included the logging of standing timber and disposal of waste wood.

Additional clearing and zone repair is deferred to the fall of 2024 as BC Hydro completes safety upgrades and additional environmental plans to ensure the project's continued success and mitigate any future issues. Way Key LP is proud to continue fostering a relationship with BC Hydro while contributing to the region's environmental sustainability.

EMTERRA SITE REMEDIATION

In November, 2023, Way Key LP completed a 3-month remediation project at the former Emterra site on the Quinsam Reservation that entailed the removal and disposal of contaminated soils and miscellaneous debris. Uncategorized soils were removed and replaced to enhance future growth on the land. The project clears the space for We Wai Kai economic development.

Project Highlights

CELEBRATING OUR SUCCESS

ROAD BUILDING AND MAINTENANCE

Way Key LP continues to oversee the construction and maintenance of logging roads in the Campbell River and Quadra Island region to generate opportunities for future resource development. Way Key LP approximates an annual revenue of \$4.5-5 million and the ongoing status of road building provides employment stability while ensuring that industry logging access roads are cleared and secure.

LOOKING FORWARD

The future is bright for Way Key LP as We Wai Kai continues to acquire timber licenses, including the recent purchase of a portion of WFP's mid-island forestry operations through the Tree Farm License (Block 2). We Wai Kai's continued investments into forest licenses will strategically increase Way Key LP's harvesting volumes, creating opportunities for members.

We Wai Kai is also developing Nation-owned land, including the Quinsam Industrial Park, to make the land ready for development, and further residential development for the elders and vacant lots on Quinsam Reserve. These projects will contribute to substantial growth in Way Key LP's operations and presence in the Vancouver Island region.

The company will see increased employment and training opportunities for First Nation community members, a significant growth of Way Key LP's body of equipment, and a tripling of forestry volumes over the next two years.

Way Key LP is proud to be a part of a large step forward for Indigenous economic reconciliation in forestry and will continue to move forward with an emphasis on relationship-building and community development.



Acknowledgements

We extend our deepest gratitude to the We Wai Kai First Nation community, Chief, and Council for their unwavering support and trust in our endeavors. Your guidance and partnership have been instrumental in our success and growth. We also sincerely thank our clients, who have stood by us, valuing our commitment to quality and excellence. Your confidence in

our work fuels our drive to deliver outstanding results. Lastly, a heartfelt thank you to our dedicated employees, whose hard work and commitment are the backbone of our company. Your tireless efforts and skillful execution on every project make all our achievements possible. Together, we continue to build a legacy of success and community development.



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