

Valemount Glacier Destination

A sightseeing and year-round skiing destination on Mt. Arthur
Meighen near Valemount, British Columbia

Project Introduction



Year-Round Skiing and Sightseeing for an International
Clientele near Jasper and Banff National Parks

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Valemount Glacier Destinations Ltd. and Pheidias Project Management Corporation

Introduction

The *Expression of Interest* submitted on behalf of Valemount Glacier Destinations Ltd. is for the creation of a year-round skiing and international-class sightseeing destination centred on the eastern approaches of the Mt Sir Wilfred Laurier massif, with lift access to the viewpoints and glaciers of Mount Arthur Meighen by way of Mt. Pierre Elliott Trudeau.

The project site is located West of Valemount, BC, which is near Jasper National Park (UNESCO World Heritage Site). In addition to views of high alpine glaciers and the Mt. Sir Wilfred Laurier massif and adjacent peaks, there are stunning views of Mount Robson, the highest peak in the Canadian Rockies, from the project site.

Exceptional Sightseeing

The project is envisioned as an important sightseeing destination, offering better alpine experiences than those currently available in the Canadian Rockies or elsewhere in North America. It will provide safe and environmentally respectful sightseeing access to stunning 3,200 m (10,500 ft.) high mountains and glaciers.

Year-Round Skiing & Longest Vertical Drop in the World

The high elevations and large glaciers provide a large summer skiing area suitable for both public skiing and race training. The skiable terrain in winter will feature the longest in-bounds vertical drop in the world and the longest ski run in the world, substantially larger than anything else in North America. It will also feature the only ski in/ski out airport in North America.

Facilities for year-round skiing on glaciers and high-alpine glacier sightseeing do not currently exist in North America, although they are common in the European Alps and the economic model of combining access to spectacular sightseeing with year-round snow sports has been proven for over a century.

A Rare Geographic Opportunity

Despite an abundance of mountains, opportunities to access high alpine glaciers are rare in North America due to park dedications, access constraints and historical settlement patterns. The Premier Range was previously identified as one of only two prime locations for year-round skiing and sightseeing in North America suitable for resort development. This project has the potential to become a showpiece for British Columbia's interior mountains and will complement the internationally recognized brand that is the Canadian Rockies.

The Skier Market

The ski industry is product-driven, evidenced by the development of Whistler Blackcomb and the 400% growth of skier visits in British Columbia since 1980. Despite that phenomenal growth, skier visits in British Columbia have begun to level off at approximately 6 million skier visits per year. The province's market share of world skier visits is only 1.5%. Given its abundant mountains and general infrastructure, there is significant room for growth.

While overall Canadian skier visits have remained steady, international skier visits to Canada have dropped 50% since 2001. This has been attributed in part to a stagnant product mix that does not compete well in terms of climate, vertical drops and lift infrastructure with destinations that are available to international travellers.

In comparison, the United States recorded an all-time record number of skier visits in 2010/2011. Colorado, which has twice the number of destination resorts but a similar population base and more difficult access, generates double the skier visits of B.C.

In Europe, tiny Switzerland draws nearly the same number of American skiers as Canada, despite larger travel distances and language and cultural difficulties. The Swiss Alps also draw more than twice the number of Chinese, Japanese, Indian and Brazilian visitors as Canada. International tourists are attracted by the famous high alpine sightseeing opportunities of the Alps, including the Matterhorn, the Jungfrau and the Aletsch Glacier. British Columbia's Premier Range can offer a comparable sightseeing experience and a superior skiing experience.

There is a tremendous market opportunity and need for an international-class alpine destination in British Columbia, particularly in response to the provincial policy of doubling tourism revenues and becoming the top skiing destination in North America.

Project Fundamentals

In order to respond to the above opportunity, a concept based on the following fundamentals is proposed:

- Snow guaranteed by glaciers, elevation and climate;
- Large, impressive mountains with great scenery;
- A large skiable terrain accessed by few lifts (with dual use for skiing and sightseeing) for low density skiing at a feasible cost;
- An accessible site with low infrastructure costs;
- A location that is not in a park, conservation or other area that is not permissible due to environmental or other reasons, and
- A location that is not affected by insurmountable local conflicts.

Local Economy and Support

The lead consultant for the *Expression of Interest* was originally approached by the Village of Valemount to investigate the possibility of developing a glacier skiing destination as a means of economic diversification and stimulus. The Robson Valley is heavily dependant on forestry and has one of the least diversified economies in British Columbia.

Once the client group was established, the Simpcw First Nation was first consulted regarding potential development concepts and they have expressed a strong interest in participating in the project. A large number of stakeholders have been since introduced to the project concept and numerous letters and indications of support have been received from the Village of Valemount and its citizens. A ski society has been formed to help promote and develop Valemount as a skiing destination.

Preliminary Plan

A preliminary, phased, mountain plan including a controlled recreation area is outlined in the accompanying drawings and plans. A preliminary base village location, containing up to 2,000 bed-units, has been identified and an additional First Nations base village and accompanying ski area has been outlined for future development. The First Nations base area will provide a true multi-valley destination skiing experience, the first of its kind in North America.

Environment

Environmental management is a planning priority, both in terms of conservation objectives and in terms of establishing a further competitive advantage over potential rivals in Europe and North America. A preliminary environmental analysis did not reveal substantial roadblocks to development. Mountain Caribou, a critically important species in the region, do not occur in the study area.

Site Analysis

The initial site analysis revealed qualities that are ideally suited for skiing, including high elevations and large vertical drops, an abundance of glaciers, predominantly north-facing slopes and a wide variety of skiable terrain. The area is renowned for its snowfall quality and abundance. Mean temperatures in Valemount are below freezing during the winter months eliminating the threat of rainfall, but with a more moderate climate than nearby Jasper, with milder overnight lows.

The site offers these advantages:

- The largest patrolled vertical drop in the world – 2,400 m (7,818 ft);

- The longest in-bounds ski run in the world;
- An abundance of north-facing slopes;
- Numerous glaciers suitable for summer skiing;
- A peak elevation of 3,205 m (10,515 ft);
- Valley bases that are above the natural snowfall line;
- Some of the largest average yearly snowfalls in Canada – 536 cm (211 in) in Valemount and 14 metres (551 in) at 1,800 m (5,905 ft.) elevation;
- No current or anticipated snowmaking requirements;
- The only ski in/ski out airport in North America;
- Multi-valley skiing opportunities (similar to France’s Trois Vallées), and
- Ease of access and proximity to existing infrastructure.

Site Constraints

There are a number of existing recreational users in the study area who are largely in favour of the proposal – including the local outdoor recreation society and snow-cat skiing operator and tenure-holder. The area’s heli-ski tenure-holder is not in favour.

There is an existing notation recognizing ski area as a priority use of the lands surrounding Mt. Trudeau (the location of the proposed resort village). However, accommodating current tenure-holders is important and parts of the study area have been reserved for heli-skiing and snow-cat skiing in recognition of their requirements. It is believed that the resort will provide an additional client base and important synergies with existing recreational-use tenure holders.

Another constraint is the regulatory environment of the Province of British Columbia, with many proposed ski resort projects undergoing review and approval processes lasting ten years or more. Careful attention will be given to designing a project that complies with existing thresholds and avoids multiple and unnecessarily repetitive reviews.

The initial analysis, however, suggests that the physical, socio-political and environmental advantages of the site significantly outweigh the known constraints and a significant opportunity exists for British Columbia to capture a larger percentage of the world’s 400 million skier visits and emerging market skiers.

Conclusion

A year-round skiing area and sightseeing viewpoint near the summit of Mt. Arthur Meighan will be unparalleled in North America. It will offer the only substantial summer-skiing on the continent, the only high-elevation alpine glacier viewpoint in North America, the largest winter vertical drop in the world, and renown snow conditions. It will be well positioned to capture a percentage of the 7.5 million yearly visits to nearby Banff and Jasper National Parks while attracting a larger share of international visitors to British Columbia.

Exhibit 1: Location Map

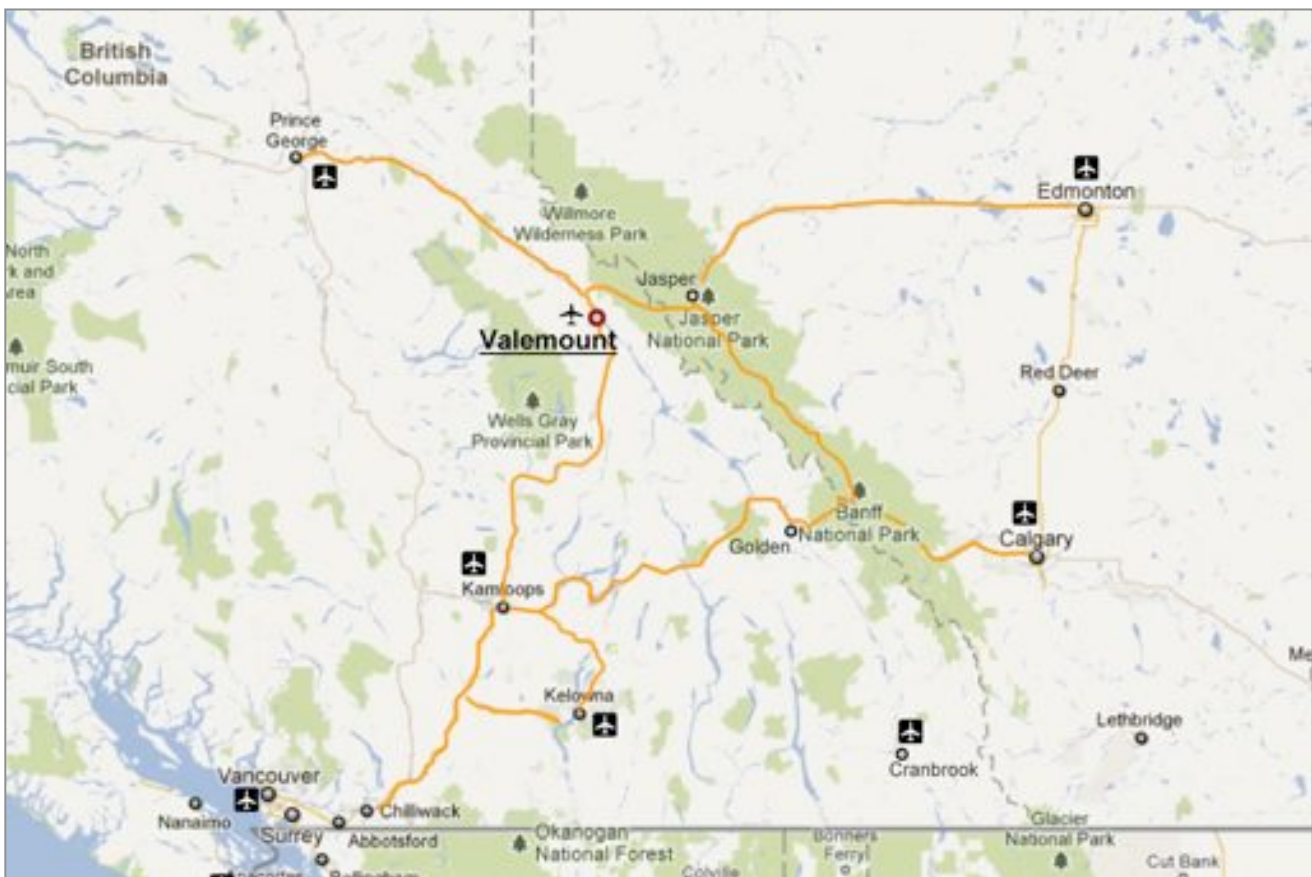


Exhibit 1: Study Area

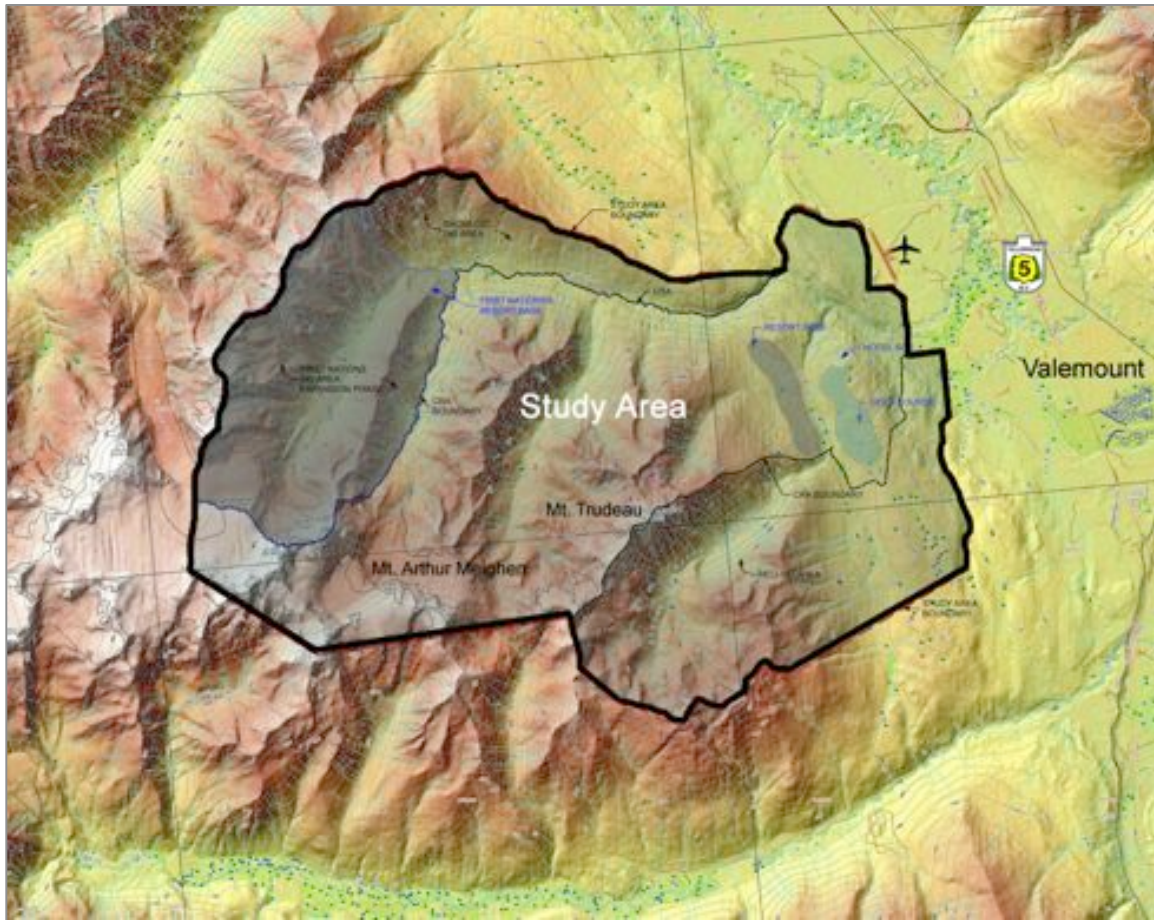
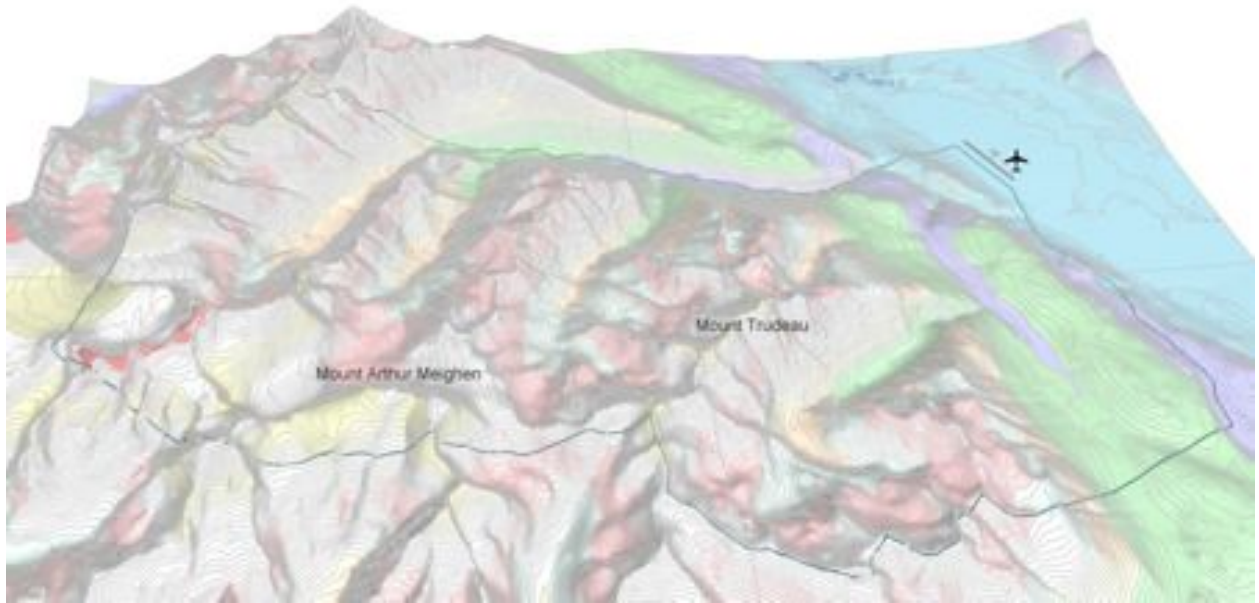


Exhibit 2: Study Area Views

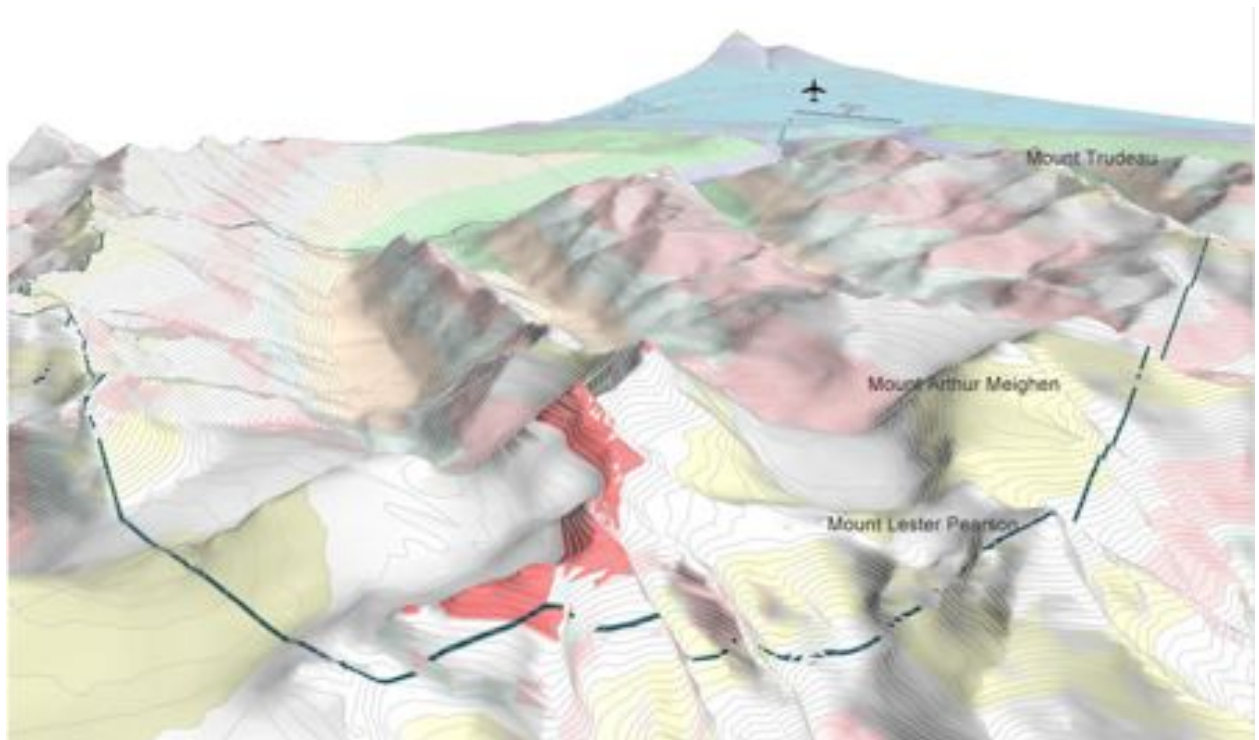


Views of Lower Mt. Arthur Meighen (left) and Mt. Arthur Meighen (right). Images taken in August.

Exhibit 3: 3D Views



Study Area looking North



Study Area looking East

Exhibit 4: Village of Valemount Letter of Support**Village of Valemount**

735 Cranberry Lake Road
Box 168 - Valemount, BC V0E 2Z0
Telephone: 250.566.4435 - Fax: 250.566.4249 - www.valemount.ca

November 10, 2011

Mr. Oberto Oberti MAIBC
President of Pheidias Project Management Corporation
Suite 660 - 1188 West Georgia Street
Vancouver, BC V6E 4A2

Dear Mr. Oberti:

At the in-camera meeting November 8, 2011, Council received and discussed your request for a letter of support regarding an international destination tourism project in the Premier Range, West of Valemount.

Council strongly supports the project your company is planning under the name of Valemount Glacier Destinations Ltd. This support is also based on the merit that your company is willing to closely cooperate with all the First Nations claiming the area.

We appreciated the presentation that you gave to Council on May 17, 2011. We also enjoyed your presentations at the Economic Round Table meetings organized by MP Cathy McLeod and MLA Shirley Bond held in Valemount on July 5, 2011 and September 13, 2011.

We welcome this initiative, and your purpose to produce a successful and sustainable project that is clearly in the public interest, and we wish to support it during the approval process and in the implementation phase—namely, the final construction of the project.

Your Expression of Interest being submitted to the *Resort Development Branch of the Ministry of Forests, Lands and Natural Resource Operations* is a clear signal to Valemount's residents of the beginning of a transition from a one-industry-economy to a more mixed and diversified economy.

By investing in the Valemount Area, Valemount Glacier Destinations Ltd. provides the community with a very positive signal in times of economic uncertainty. We can only support and encourage organizations willing to invest time and efforts in the improvement of local economic opportunities.

We are looking forward to working with you in the next phases of the design and permitting process; and most importantly, we are looking forward with excitement to the day when we will be able to ride the gondola to the top of the Cariboo Mountains.

Yours truly,

A handwritten signature in black ink, appearing to read 'Bob Smith', written over a horizontal line.

Bob Smith
MAYOR

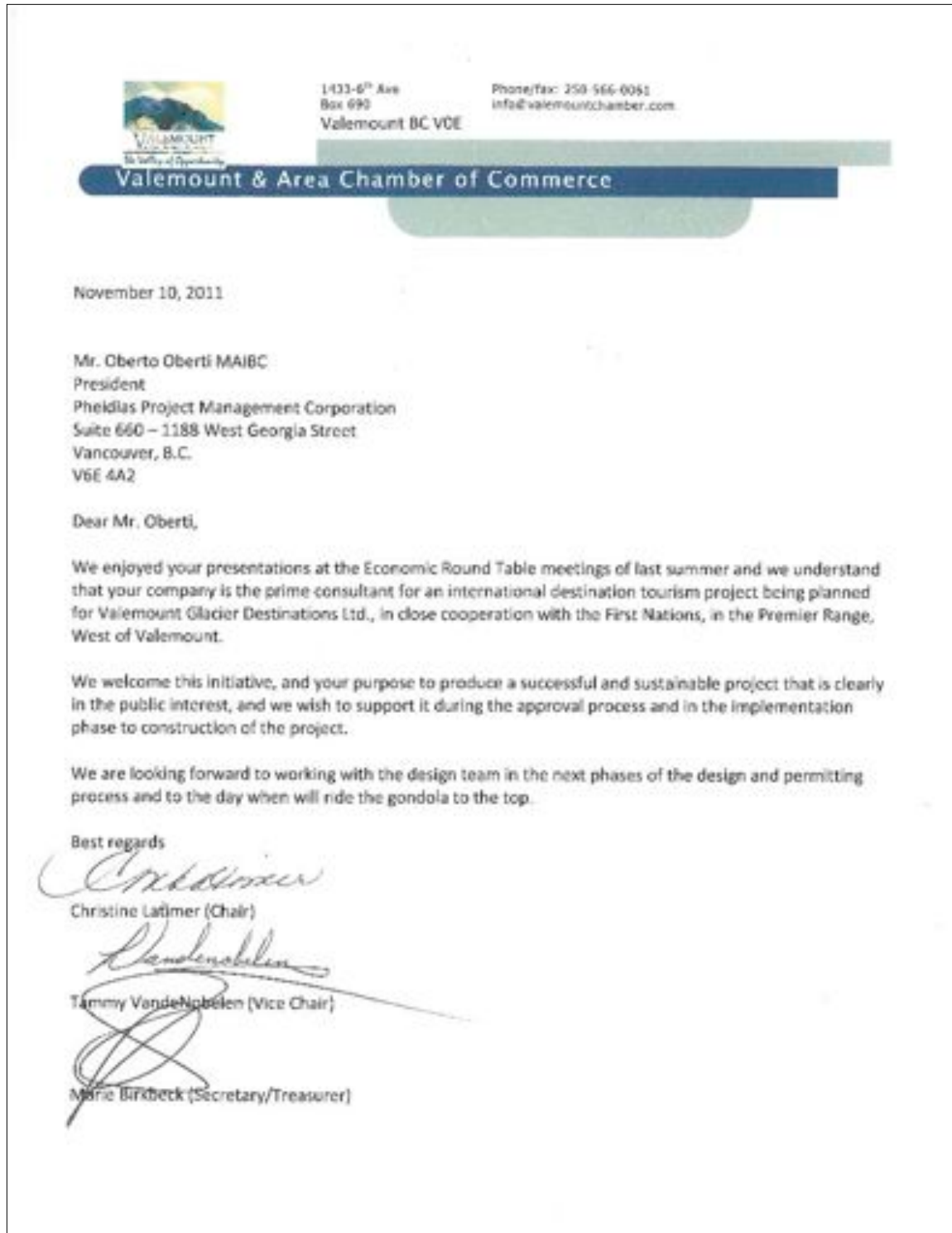
Exhibit 5: Valemount & Area Chamber of Commerce Letter of Support

Exhibit 6: Yellowhead Outdoor Recreation Association Letter of Support

Yellowhead Outdoor Recreation Association
Box 278, Valemount, BC V0E 2Z0

November 15, 2011

Mr. Oberto Oberti, MAIBC
Pheidias Project Management Corporation
Suite 650 -- 1188 West Georgia Street
Vancouver, BC V6E 4A2

Re: Valemount Glacier Destinations Project

Dear Mr. Oberti

The Yellowhead Outdoor Recreation Association (YORA) is a Valemount-based organization that promotes non-motorized recreational activities in the Canoe and Robson Valleys. YORA also maintains local cross-country ski trails and manages and maintains two backcountry cabins.

I was very pleased to have been invited to be part of the round table discussions this past summer regarding the possibility of a destination tourism project in the Premier Range, west of Valemount. Several of our members have ski-toured or hiked in the area and are aware of the incredible beauty and amazing potential the area has to offer. Hence, YORA would like to offer full support for the Valemount Glacier Destinations project to move forward in its approval process.

YORA feels that not only would this project provide outstanding recreation opportunities for valley residents, but it also has the potential to provide a much needed economic boost to the region.

We look forward to continuing to have an opportunity to provide input into the project as the development process unfolds. Of course, I personally excitedly look forward to the day when I can make a few turns on this "ski mountain".

Sincerely,

Patricia Thoni

President, Yellowhead Outdoor Recreation Association

Exhibit 7: Valemount Ski Society Letter of Support

