



ComFor

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MEDIA RELEASE

For Immediate Release

February 25, 2008

Community forest corporation encourages public input, involvement

The ComFor Group of companies, which includes Burns Lake Community Forest Ltd., encourages public input and involvement in its operations.

That's the word from Bill Chapman, president of Comfor Management Services Ltd., the company that holds the shares of Burns Lake Community Forest Ltd. on behalf of the community.

"We welcome questions from the public, even the tough ones," noted Chapman in response to concerns raised in the *Lakes District News*. "Public involvement in the operations of the Comfor and community forest is critical to our success. After all, the community forest was designed to be managed by the community, for the benefit of the community as a whole – not one special interest group."

Chapman noted that since its inception, Comfor Management Services Ltd. has held open public meetings. These meetings are held once a month, at which time reports on the activities of all companies within the ComFor Group (including Burns Lake Community Forest Ltd.) are presented for review and discussion. The consolidated financial statements of the company are also presented at that time.

He went on to note that in addition to publishing a detailed annual report, the corporation also inserts regular public information advertisements in the *Lakes District News*. Additional information is also available on the corporate web site, www.blcomfor.com.

"In keeping with the spirit of the original community forest proposal, we strive to be as transparent as possible in our operations," the Comfor president stressed. "Obviously, Burns Lake Community Forest Ltd. and its sister companies are business entities designed to make a profit, and must be operated as such. To do otherwise would be contrary to the original community forest proposal, and not in the best interests of the community. That means that certain proprietary corporate information such as profit ratios, sales agreements, etc., must remain confidential in order to protect not only our companies' ability to operate, but the

ability of our contractors and suppliers to operate. As any entrepreneur knows, you can't give your competitors information that could potentially compromise your ability to run a profitable business."

Chapman noted that despite the company's best efforts, it is clear that some members of the community still aren't well informed about the operations of the community forest corporation and its sister companies. He indicated that company officials have been working closely with village council for several months to improve communications and obtain additional feedback from the community.

"It's important to us that Burns Lake Community Forest Ltd. and its sister companies are operated in a manner that best serves the long-term needs of the community," he said. "That's why, at the request of the municipality, we commissioned Hugh Gordon to review the corporate structure of the ComFor Group and offer some suggestions on how our governance model could be improved. That report is a public document, and we're looking closely at the recommendations.

"However, while the recommendations of Hugh Gordon are helpful, it's also important that we get detailed feedback from local residents before making any major changes. That's why we joined with the village in January to form a ComFor Consultation Working Group. That working group has developed a consultation plan, and began implementing it this week. The initiative promises to be just as comprehensive as the process undertaken in 1998, and we urge local residents to participate."

Chapman noted that a key component of the consultation initiative is ensuring members of the public have access to accurate information about the community forest corporation and its sister companies. Local residents need to know, for example, that:

- In 1998, a comprehensive public consultation process revealed that local residents felt the community forest should be managed by a community owned corporation, and not by the Village of Burns Lake. The current governance model, in which the Village of Burns Lake holds the shares of Comfor in trust for the community as a whole, is based on this premise.
- The current corporate structure of the ComFor Group is designed to maximize the retention of corporate profits in the community. It was developed with advice from nationally-recognized accounting firms.
- Each company in the ComFor Group – ComFor Management Services Ltd., Burns Lake Community Forest Ltd., Lakes Communications Inc., Whistle Lake Woodlot, and Endako River Timber Ltd. – has its own board of directors. These directors are appointed by the board of ComFor Management Services Ltd., and report to that board on a regular basis.

- The financial statements of the ComFor Group are reviewed annually by third-party auditors.
- Burns Lake Community Forest Ltd. recently underwent a Forest Practices Board audit, the results of which will be made public by the Forest Practices Board this spring. The company's forestry operations are also reviewed regularly by the Ministry of Forests' Compliance & Enforcement Branch, and the inspections have shown a high level of compliance with environmental regulations.
- Funds surplus to the needs of Burns Lake Community Forest Ltd. and the ComFor Group are reinvested in the community. Since its inception, Burns Lake Community Forest Ltd. has spent more than **\$37 million** in goods and services in the community, and donated more than **\$3.1 million** to community groups and organizations.
- Burns Lake Community Forest Ltd. – and, indeed, all companies in the ComFor Group – are committed to employing local residents and hiring local contractors. Since its inception, Burns Lake Community Forest Ltd. alone has created more than **547,000 man hours** of employment for more than **70 local contractors**.

Chapman concluded by inviting members of the public to contact the company – either by letter (Box 788, Burns Lake), telephone (692-7724), or e-mail (info@blcomfor.com) – if they have concerns or would like additional information.

“We’d also like to see more people at our regular meetings,” he said. “It’s a great way for people to gain a better understanding of their community forest corporation and its operations.”

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