

To: All CMR Leaseholders

From: The Board of Directors

Re: Subdivision Commitments

We are pleased to tell you that almost 80% of CMR leaseholders have indicated their support for subdivision of the Resort's property. Many others indicated that although they missed the deadline of December 31, they intend to provide their Commitment to the project in the near future. We have shared this result with the MD of Pincher Creek, providing the MD a very statement of the wishes of this community as they prepare to revise our Area Structure Plan (ASP).

Our next project is to update the provisions of your lease to ensure the long term security we are all interested in. Our intent is to be fair to both leaseholders and the corporation, recognizing that the success of the corporation is paramount to the value of our property and investment. You will be informed of any revisions to the lease prior to submitting any application for subdivision.

There are many reasons for optimism about the future of Castle Mountain Resort. The MD's decision to revise our ASP is causing all of us to look carefully at what we have and consider how it can be made better, and to express those views publicly. It will be vital that we continue to make our wants and needs known during the upcoming discussion and consultation processes. Together we can make a difference.

The new Provincial Tourism Framework may also provide significant opportunities for Castle Mountain. This framework shifts the primary focus of the Tourism Department and its operating arm, Travel Alberta, from marketing Alberta internationally to developing the Province's tourism infrastructure, with an emphasis on destination development. We urge all CMR supporters to review this framework at www.trp.alberta.ca clicking Tourism, clicking Alberta Tourism Framework, scrolling down to Downloaded Condensed Version and clicking.

You can express support for this strategy by sending an e:mail to the Minister, Dr. Richard Starke at TRP.Minister@gov.ab.ca

The City of Lethbridge is submitting a bid to host the 2019 Canada Winter Games. Central to this bid is CMR's agreement to host the Freestyle, Alpine and Snowboard events. A successful bid will require snowmaking and other infrastructure and will result in our ski hill and community being featured by the national media for 18 days in the winter of 2019.

Finally, snow has fallen when we needed it, the wind has worked its magic and the skiing has been fabulous. We look forward to a good and profitable year.

So, we thank everyone for their ongoing support.

The Board of Directors. CMR