

Dear Lot holders,

Re: Recent Developments At Castle Mountain Resort (CMR)

We are pleased to be able to tell you that almost 80% of CMR leaseholders have indicated their support for subdivision of the Resort's property. Many others have 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 a very clear statement of the wishes of this community as the MD prepares to revise our Area Structure Plan (ASP).

Our next project is to update the provisions of the lease to ensure it provides the long term certainty we all want. The Board's intent is to be fair to both leaseholders and shareholders, recognizing that the success of the corporation is paramount to the value of everyone's property and investment.

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 value and consider how it can be made better. It will be vital that we continue to make our wants and needs known to the MD during the upcoming meetings and consultation process. 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. Click Tourism, then Alberta Tourism Framework, then scroll down to Downloaded Condensed Version.

You can express support for this strategy by sending an email 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 hosting 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. We thank everyone for their ongoing support,

The Board of Directors