



Skeena BioEnergy Ltd.

Skeena BioEnergy is located in Terrace, British Columbia, Canada next to Skeena Sawmills, one of the largest Pacific Coast Hemlock sawmills in B.C. We are currently building a \$20 million pellet plant that will produce 75,000 metric tonnes of pellets annually starting in late 2018.

Superior Pellet With More Energy

The new pellet plant will incorporate state of the art equipment that will maximize the value of all the residuals from Skeena Sawmills. Our plant has been designed to produce a superior pellet that delivers high energy content, durability and consistency by using a unique blending system for bark and sawdust.

Our fibre is sourced directly from Skeena Sawmills which means Skeena BioEnergy will have control over the quantity and quality of the fibre from the forest to the sawmill to the pellet plant. Other benefits include:

- The pellets are a blend of whitewood and bark making for an improved consistency.
- Our pellet production does not include bush grind from the forest; instead it uses the bark from the sawmill which means less dirt, dust and no needles which reduces ash content.

- The main species is coastal Hemlock from fast growing trees in B.C.'s sustainably managed forests.
- The plant will use a low temperature belt dryer for the fibre process. This not only has environmental advantages over a high temperature rotary dryer but because of the lower temperature more energy is kept in the wood during this process.

State of the Art Equipment

Skeena BioEnergy's pellets are a blend of bark and sawdust that delivers high energy, durability and consistency.

Sawdust

- Ash content 0.38% — dry basis, method ISO 18125
- GJ/MT 20.60 — dry basis, method ISO 18125

Bark

- Ash content 1.83% — dry basis, method ISO 18125
- GJ/MT 21.49 — dry basis, method ISO 18125



Pellet plant equipment and engineering supplied by Prodesa.



A Stable Source You Can Count On

Customers can be assured of a steady and stable supply of product. Skeena Sawmills holds long-term replaceable licences in B.C. providing it with a sustainable supply of high quality saw and pulp logs.

The sawmill produces 60,000m³ of lumber annually and has plans to invest a further \$20 million in upgrades that will double production and result in increased output at the pellet plant. In addition, if the sawmill takes downtime; the pellet plant is not impacted because it can operate on 100% woodchips; which are created separate from the sawmill.



Skeena BioEnergy is located only 135 km from the Port of Prince Rupert.

Our Transportation Advantage

The plant has been structured to do container shipment direct from the plant to take advantage of container rates and provide uncompromised value, flexibility and service to our customers.

- Pellets are only handled once which reduces breakage.
- Containers mean you don't need to worry about dust at ports compromising the product quality.
- Favourable container rates to Asia.
- Weekly scheduled shipments available to most ports.
- Port infrastructure already in place for handling containers.
- Reduced need for high capacity storage at destination port.
- Inventory is always in transit not sitting in the port.

Our Commitment to Sustainability

From harvesting to production to end use, pellets provide a clean, carbon neutral and renewable source of energy for residential and commercial buildings.

All of Skeena's fibre comes from public lands which are subject to some of the strictest environmental rules in the world. By law, all forests harvested must be regenerated. This is further backed by third party certification to the Sustainable Forestry Initiative and the Programme for Endorsement of Forest Certification.



Allowable air emission levels in B.C. are tightly regulated. The plant has been designed with the best available technology in regards to emissions with the permitted levels being set and enforced by the government.

- Belt dryer 15mg/m³
- Plant Hammermills and Pellet cooler 10mg/m³
- Plant dust control 5 mg/m³

For More Information

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