

2/08

WARRANT 3672

| | DOYLE SCALE (BF) | DOYLE SCALE (MBF) | INTERNATIONAL 1/4" SCALE (MBF) | CONVERTED CCF VOL. | PERMIT CCF VOL. |
|------------|---------------------|----------------------|-----------------------------------|-----------------------|--------------------|
| B. CHERRY | 77,616 | 77.62 | 100.65 | 162.34 | 164.00 |
| HARD MAPLE | 3,546 | 3.55 | 4.60 | 7.42 | 8.00 |
| SOFT MAPLE | 12,856 | 12.86 | 16.67 | 26.89 | 31.00 |
| | | <u>94.03</u> | <u>121.92</u> | | |

VOLUME DIFFERENCES CAN ALMOST ALWAYS BE ATTRIBUTABLE TO THE DIFFERENT SCALING METHODS. DOYLE IS THE METHOD PREDOMINANTLY USED IN THIS AREA BY MILLS. THE DIFFERENCE BETWEEN DOYLE AND INTERNATIONAL IS APPROXIMATELY 30%. THE CONVERSION FACTOR USED HERE IS: DOYLE MBF X 1.2968 = INTERNATIONAL MBF. THE FOLLOWING CHART SHOWS WHAT HAPPENS WHEN THE PRICE ARTHUR SAYS WE SHOULD CHARGE HIM IS EXPANDED BY THE 1.2968.

| | ARTHUR'S PRICE | | | PERMIT CHARGES |
|--------------|----------------|---|----------|----------------|
| LOT 8 | \$130,187 | X | 1.2968 = | \$168,826.50 |
| WARRANT 3672 | \$112,000 | X | 1.2968 = | \$145,241.60 |
| | | | | \$161,390.81 |
| | | | | \$132,168.26 |

$\$112,000 / 94.03 = \$1,191/\text{MBF}$

$\$132,168.26 / 121.92 = \$1,084/\text{MBF INTL}$

DOYLE \longleftrightarrow = \$1,084/MBF INTL

File documentation
\$107 DIFFERENCE

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(BASSWOOD)

| | PURCH. | AWARD | HEM | RM | SM | BIRCH | BEECH | ASH | (POPLAR | CHERRY | W.OAK | R. OAK | PULP | TOTALS |
|---|------------------------|---------------------|----------------|-----------------|----------------|-------------------|-------|-------|------------------|----------------|----------------|------------------|------|-----------|
| B | AN'S PRODUCTION | 10/15/07 | 16.32 | 103.42 | | | 42.17 | | | 877.34 | | 194.26 | 2.50 | 7,329.94 |
| B | " | 10/22/07 | 13.60 | | | | 40.22 | 96.40 | | 537.68 | 107.21 | 169.05 | 2.50 | 3,030.79 |
| M | ARG RES | 11/13/07 | 12.00 | 90.27 | 202.90 | | 37.26 | | | 728.25 | | | 1.90 | 4,1637.10 |
| B | ATLAS RES | 11/30/07 | 13.60 | 98.40 | 206.03 | 41.50 | | | 69.40 | 1047.93 | | | 2.50 | 78,795.27 |
| B | CATALYST | 11/02/07 | | 89.96 | | | | | | | 131.99 | SCALECATOR 91.26 | 2.50 | 3,449.71 |
| B | DOARING | 10/5/07 | 16.32 | 94.49 | 203.63 | | 45.71 | | | 941.32 | | | 2.50 | 48,583.04 |
| M | EAST RES | 10/15/07 | R PINE 12.20 | 69.20 | | HOOD OFFICE 21.46 | | | | 359.42 | | | 1.90 | 2,377.00 |
| B | EAST RES | 11/2/07 | | 95.10 | 207.58 | 51.71 | | | | 1047.93 | | | 2.50 | 48,748.63 |
| M | HANLEY F. 1500 | 10/31/07 | | | | | | | | 134.04 | | | 2.50 | 68.96 |
| B | OTTER | 10/23/07 | | 93.90 | | | | | | 705.22 | HOESING 91.26 | HOESING 159.23 | 2.50 | 22,358.17 |
| M | PGE | 11/14/07 | | 73.83 | 182.08 | HOOD OFFICE 52.57 | | | | 602.28 | | | 1.90 | 10,058.09 |
| M | SENECA | 11/16/07 | | 77.64 | 188.74 | HOOD OFFICE 34.90 | | | | 782.10 | | | 1.90 | 15,384.12 |
| | WALNUT 3600 | 11/29/07 | | | | | | | | | | | | |
| | RANGE | 12-16.32 | 64.20 - 103.42 | 182.08 - 207.58 | 211.96 - 52.57 | 37.26 - 45.71 | 96.40 | 69.40 | 577.68 - 1047.93 | 91.26 - 136.99 | 91.26 - 194.26 | 190 - 2.50 | | |
| | X | 13.97 | 88.62 | 198.49 | 40.43 | 41.34 | ↓ | ↓ | 762.95 | 110.45 | 153.42 | 2.28 | | |
| | MED. | 14.16 | 86.31 | 194.83 | 37.02 | 41.48 | ↓ | ↓ | 792.81 | 111.63 | 142.76 | 2.20 | | |
| | LOT 8 | | 94.45 | 207.58 | 41.99 | | | | 819.46 | | | 2.50 | | |
| | WALNUT 3600 | | 97.67 | 210.69 | | 43.53 | | | 769.26 | | | 5.61 | | |

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