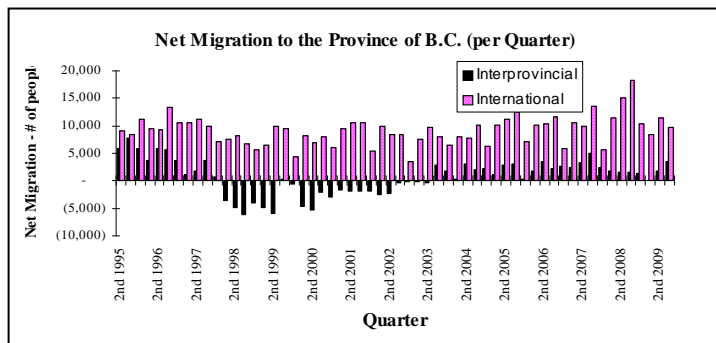


LOCATIONAL DATA

BRITISH COLUMBIA ECONOMIC OVERVIEW

The data provided below describes the general condition of the British Columbia economy at this time. The statistics used are the latest data available on each segment of the economy as at March 11, 2010.



British Columbia is the westernmost province in Canada, strategically situated on the Pacific Rim, comprising 13% of Canada's total population and 10% of Canada's total land area. After Ontario and Quebec, it is the third most populous province, with 4,479,934 residents as of October 1, 2009. In 2008, B.C.'s total population increased 73,773 persons, up 1.7% from 2007.

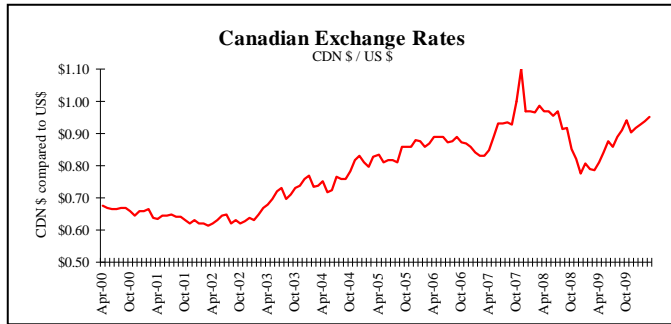
The total net migration to B.C. in all of 2008 was 61,559; of this total, 55,109 (89.5%) is net international migration and 6,450 (10.5%) is net inter-provincial migration. Net international migration averaged just over 43,000 persons per year over the last five years. Population changes through net inter-provincial migration were negative during the late 1990s and the early years of this decade but have returned to a more traditional pattern, with the average over the last five years being close to 10,000 persons per year. New residents to the Province are attracted by the temperate climate, ample recreational opportunities, strong economy and opportunities for employment.

Many of B.C.'s industries are particularly sensitive to the state of the U.S. economy and to the value of the Canadian dollar which, as of March 11, 2010, was at \$0.937 against the U.S. dollar. The ten-year average was \$0.78. A stronger dollar negatively impacts the B.C. economy in the resource and tourism-based industries. The 2009 annual average Consumer Price Index for B.C. was 112.3 (2002 = 100), showing no increase from January, 2008; the last five-year average was 1.5%. The Consumer Price Index for Canada increased 0.3%, with the last five-year average being 1.8%. As of March 11, 2010, the Bank of Canada rate was 0.25%, the Royal Bank of Canada prime rate was 2.24% and the five-year closed mortgage rate was 5.25%.

The composition of the B.C. economy has undergone considerable change. B.C.'s manufacturing is diversifying from its traditional role in the primary industries to more high tech industries involving computers and telecommunication. Nearly 79% of employed British Columbians work in the service sector, including 16% in trade and 10% in health and social services. As of January, 2010, the provincial unemployment rate decreased to 8.1% and the national rate inched down to 8.3%; the ten-year B.C. unemployment rate averaged 6.57%, lower than the Canada rate of 7.02%.

Tourism is a major component of the B.C. economy. The tourism sector faced challenges in 2008 as the global economic downturn effects spread and several major cruise lines announced that they would no longer be stopping in Vancouver. Room revenues were \$1.97 billion (up 0.19%) and visitor entries were down 8.9%. Year-to-date room revenue (November, 2009 – most recent figures

available) reflects a 12.7% decrease. Historically, this room revenue has reflected between 2% and 5% growth per annum. Visits from the U.S. have continued downward since the peak in 2000. The outlook for 2010 is that the tourism sector will continue to be negatively affected by the global economic downturn but offset by the 2010 Winter Olympics and the opening of the Vancouver Convention & Exhibition Centre, with 180 events booked; 2011 is expected to show positive growth.



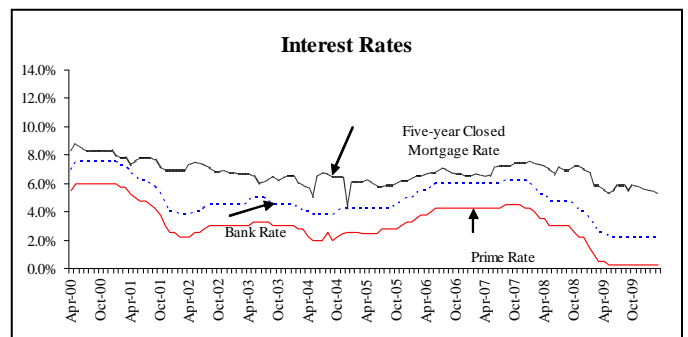
The economy of British Columbia is still based largely on exports. British Columbia is more diversified than the nation as an exporter, given its West Coast proximity to major exporting countries. While Canada sent some 83.8% of its exports to the U.S. in 2009, only 49.9% of British Columbia's exports went to the U.S. After the U.S., the largest destinations for provincial exports were the Pacific Rim and Europe.

The total value of B.C. exports to all countries for 2009 was \$25.7 billion; the average for the past five years has been \$31.6 billion. Port Metro Vancouver handled 115 million tonnes of cargo in 2008, down 10% from the previous year.

Retail sales are another good indicator of economic performance. Retail sales in B.C. for 2009 totalled approximately \$53.52 billion, down 5.5% from 2008. Total retail sales have averaged \$53.98 billion over the last five years.

In 2009, the total housing starts in Vancouver C.M.A. were 8,339, less than half the five-year average of 17,788. 2009's housing starts had been greatly affected by the economic slowdown. Among immigrants coming to B.C., about 91% settle in Vancouver C.M.A. The lower-than-average starts in 2009 are inadequate for the 50,000+ new immigrants to this region, resulting in increasing pressure on housing prices. An increasingly large share of housing starts in the Vancouver C.M.A. are multiple unit developments. High building and land costs have contributed to this shift towards higher density housing.

British Columbia has come through an unprecedented global economic downturn. However, business and consumer confidence are rising and B.C. is expected to be among the country's leaders in economic growth in the year ahead. The introduction of the Harmonized Sales Tax, at 12% and a commitment by the Government to spend \$4.0 billion over three years on transportation investments and \$5.3 billion to over 850 accelerated capital projects across B.C. are all initiatives to strengthen the economy.



Sources: Statistics Canada, Statistics B.C., Royal Bank of Canada, C.M.H.C., Port of Vancouver, Tourism British Columbia, Vancouver 2010 Bid Corporation.