

MEMORANDUM OF UNDERSTANDING

between

Forest Corporation of Osaka, Japan

and

Government of Yukon, Canada

September 14, 1999

Osaka, Japan

In recognition of the mutual understanding of the market potential for quality log homes in the Japanese market, both parties agree to formally pursue the opportunity and:

1. Forest Corporation commits to send two representatives to the Yukon at the earliest opportunity not exceeding one year from date of signing to meet with potential suppliers and assess potential products and supply agreements
2. Yukon Housing Corporation and Government of Yukon agree to host the representatives and facilitate the development of a supply or joint venture agreement if viable.

On behalf of

Forest Corporation

Government of Yukon
Yukon Housing Corporation



Andrea Neuman, for
Junji Ishida
President



Trevor Harding
Minister of Economic Development

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Trevor Harding, Minister of Economic Development, is shown above signing a memorandum of understanding between the Yukon government and the Forest Corporation of Osaka in recognition of the market potential for quality log homes from the Yukon in the Japanese market. Seen with Trevor Harding are Andrea Neuman, Marketing Manager and Junji Ishida, President of Forest Corporation:

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On behalf of Forest Corporation

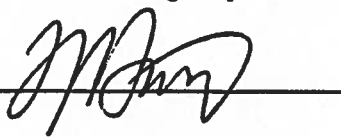


Andrea Neuman, for
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President

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