



## **PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

**April 19, 2004**

### **KHOWUTZUN DEVELOPMENT CORPORATION (KDC) TO ACQUIRE THE CHERRY POINT VINEYARD**

The Khowutzun Development Corporation (KDC) has made an offer to acquire the Cherry Point Vineyard and Estate Winery. The offer is conditional on the completion of due diligence and is expected to close by May 30, 2004.

This acquisition is the first step in creating the Quw'utsun' Vineyard Development Corporation (QVDC), a new subsidiary of KDC that will promote the development of vineyards and related activities within the Cowichan community.

“We have been considering this for some time and see it as an opportunity to participate in the growing agri-tourism and recreation sector in the Cowichan Valley,” said Francine Peter, General Manager of KDC. “Key to the development of the area is establishing a relationship with an existing vineyard and winery. This provides a solid base from which to develop additional vineyards and related support activities.

“We are very fortunate to have reached agreement with the Ulrich's, the founders of Cherry Point. As part of the agreement, the Ulrich's will continue to be involved in the development of the vineyard for the next three years. We will greatly benefit from their expertise and wisdom,” said Ms. Peter.

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The immediate focus is ensuring the continued development of Cherry Point as one of the premier vineyards and estate wineries on Vancouver Island. "We are pleased that the ownership will remain local, and equally, we are proud to be working with KDC as they move forward, supporting the entire region," said Helena Ulrich.

A vineyard enhancement and development plan is being put in place to continue the growth of Cherry Point. The mid-term goal is to encourage the development of vineyards within the community to supply the required high quality wine grapes to Cherry Point and to develop and expand the existing capacity of the vineyard.

KDC is a wholly owned subsidiary of Cowichan Tribes. "Economic development is an important part of our growth strategy," said Chief Harvey Alphonse, and President of KDC. "In the not too distant future we hope to be an independent, self-governing body. To be ready, we must take steps now to ensure we have local jobs for our people and ongoing sources of revenue. Diversity of opportunities is fundamental to this strategy."

Among the existing group of subsidiary group of companies managed by KDC are Khowutzun Mustimuhw Contractors, Khowutzun Millwork and Joinery, Khowutzun Forestry Services; and Quw'utsun' Cultural and Conference Centre.

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Attached Backgrounder for additional information.

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