

2009/2010 SFM Annual Performance Reporting Summary



Tolko Industries Ltd. (HLLD) is continually seeking ways to improve our environmental performance and we welcome input from all Stakeholders and general public.

If you would like to provide input or comments on this SFM Annual Performance Reporting Summary, or if you would like more information please feel free to contact:

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*The 2009-2010 SFM Annual
Performance Reporting Summary is
available on
www.highlevelwoodlands.com*



2009-2010 SFM Performance Highlights

The indicators and targets as identified in the companies' 2003 Detailed Forest Management Plan and Sustainable Forest Management Plan were achieved for 29 out of 32 commitments. This compares to 28 being achieved in 2008/2009, and results for previous years can be viewed on www.highlevelwoodlands.com.

In cases where the indicator and target were not achieved an Action Plan has been developed and also a report has been made on our internal Environmental Management System to track improvement.

The following are performance highlights for the 2009-2010 reporting period:

- 100% compliance with Historical Resources Act
- 2711 visits to www.highlevelwoodlands.com with an average of >2 pages viewed per visit. Indicates further info search on site than just initial page visited. Total visitors are up 380 from previous year.
- Operations occurred outside of areas of biological significance and respecting unique areas removed from the net landbase
- <5% declared as Not Sufficiently Stocked from results of establishment surveys over 5 year period
- Complying with reforestation harvested areas within 2 year period post harvest
- Spatial Harvest Sequence variance within permitted limits
- Compliance with seed deployment guidelines for Alberta
- Compliance with soil rutting indicator and target
- 57 people participated in tours of the Mill facility

Performance requirements were not achieved for the following indicators:

- #6: Shortfall in amount of harvested area retained as residual material. Target is 5% and 3.76% was retained.
- #7: retained 8.3% of debris piles for wildlife objectives on a target of 5% with only 2% variance allowed.
- #32: Continual improvement in the number of mechanisms used to increase public forestry awareness was not achieved even though there were several mill tours. Limited staff time was a factor, plus expected curtailment of operations in December 2009 affected focus of Woodlands Department.