



FMA0200040
2010 General Development Plan

First Nations Supplemental Information Package

May 7th, 2010

Introduction:

As joint management partners of their Forest Management Agreement (FMA), Tolko Industries Ltd. and Footner Forest Products Ltd. (the companies) are required to submit a General Development Plan (GDP) for review and approval by Alberta annually. The GDP is a general forecast of where operational activities will be occurring within a five-year timeframe. On June 1, 2010 the companies will be submitting their GDP to Alberta covering development activities for 2010-2015.

This GDP also covers certain activities within FMU F1 where Tolko and La Crete Sawmills Ltd. will be conducting silvicultural activities. There are no planned activities this year in FMU P10. There will be a second GDP to cover activities within F14 Forest Management Unit (FMU) where the companies plan to harvest timber this season. Due to the various deciduous Quota holders and wood supply agreements that exist on the FMA the GDP also covers the operational activities of the following operators:

1. Daishowa-Marubeni International Ltd. (DTAF260006)
2. Netaskanin Development Corporation (DTAF260003 and DTAF260004)
3. Precision Lumber Products Inc. (DTAF260001)
4. Ridgeview Mills Ltd. (DTAF260002)
5. Che K'li Enterprises Ltd. (DTAF260005)
6. La Crete Sawmills Ltd. (Wood Supply Agreement)
7. Precision Lumber Products Inc. (Wood Supply Agreement)

Purpose of this Package:

The companies have developed this package for all First Nations who have the potential to be impacted by operations planned for the 2010/2011 timber year. This supplemental document will be provided to the Paddle Prairie Métis Settlement and the following First Nations:

1. Beaver First Nation
2. Dene Tha' First Nation
3. Little Red River Cree Nation
4. Lubicon Lake Nation
5. Tall Cree First Nation

The details contained within this package are meant to provide more information to First Nation groups so they are better informed prior to commencement of the GDP consultation process.

Package Contents:

As previously mentioned, the package details all forest management activities that will be taking place on the FMA, and herbicide activities being undertaken in F1, P10, and F14 FMU.

The document highlights all proposed silviculture activities, operations activities, and planning activities that will be occurring between May 1, 2010 and April 30, 2011. The package contains a GDP overview map to show where operations and activities are being considered over the next five years (Appendix I). The package also contains 19 detailed maps that highlight proposed blocks to be harvested and herbicided this year (Appendix II).

These detailed maps show all primary and secondary highways, temporary and seasonal access routes, trapline boundaries, seismic lines, streams, lakes, cutblocks, and planned blocks for harvesting or herbicide.

These detailed maps will enable the Nations to identify and locate areas where potential conflicts occur between our planned activities and areas of traditional use. Through open communication and discussions

surrounding these areas of concern it is the companies' intention that reasonable steps can be taken to ensure the values of both parties are protected.

2010/2011 Silviculture Activities:

Tree Planting Activities:

Between Tolko Industries Ltd. and La Crete Sawmills Ltd. it is estimated that 5.3 million trees will be planted between May 15th, 2010 and August 31st, 2010. In all close to 3,400 hectares of forest land will be planted.

During tree planting activities access can prove to be difficult. Where ground access is not an option a helicopter will be utilized to bring planters into the areas. In some cases seedling snow caches have been set up during the past winter to ensure seedlings are on site at the start of the plant which is an economical alternative to flying seedlings to isolated locations. Ungulate Winter Range and Caribou Protection Areas do overlap some areas to be planted, and the companies will attempt to avoid operations during restricted timing windows. Where ground access is possible several all-terrain vehicles will be used to transport tree planters into the areas to plant.

Table 1 below illustrates the compartments where tree planting will take place in 2010, and what company will be responsible for completion, and what traplines overlap with these activities.

Table 1:

Compartment	Operator	Trapline Number
Bassett 2	Tolko	TPA1719, TPA1752
Bistcho 2	Tolko	TPA93, TPA104
Caribou 4	Tolko	TPA254
Ponton 7	Tolko	TPA247
Wadlin 5 Wadlin 6	La Crete Sawmills	TPA79, TPA179, TPA1685

Herbicide Activities:

The 2010 herbicide program will take place in Bassett, Caribou, Negus, Steen, Wadlin, and Watt Operating Areas. There will also be a herbicide program in F1 quota area. There will be a flight reconnaissance completed in May on approximately 7,804 hectares that are currently scheduled for a vegetation assessment. The vegetation assessments will determine if grass or deciduous trees are deterring growth of the conifer crop trees. It is expected that between 2,000 and 2,200 hectares may be planned for aerial herbicide application between July 25th and August 15th, 2010. Further stakeholder notification will be sent to First Nations, the Public, Trappers, and Outfitters at time the program is proposed to ASRD.

Please refer to Table 2 on the next page for a list of the compartments/licenses, the approximate area (ha) to be assessed, and traplines overlapping with the proposed vegetation assessments. The table also lists the detailed map number that should be referred to in Appendix II to view the proposed activities.

Table 2:

Compartment/License	Operator	Area to be Assessed	Trapline Number	Map #
Bassett 3	Tolko	855 hectares	TPA1514, TPA2784	12
Caribou 2, Caribou 3	Tolko	1742 hectares	TPA254, TPA1492, TPA2291, TPA2399	13
Negus 2, Negus 3	Tolko	875 hectares	TPA86, TPA95, TPA1377	14
Negus 5, Bassett 1, Watt 5	Tolko	586 hectares	TPA95, TPA2292	15
Steen 2, Steen 3, Steen 4	Tolko	1,691 hectares	TPA184, TPA1422, TPA2055	16
Wadlin 3, Wadlin 4	Tolko	395 hectares	TPA35	17
Wadlin 5, Wadlin 7, F1	Tolko	1,768 hectares	TPA1278, TPA1934, TPA2309, TPA2335, TPA2881	18
Watt 2	Tolko	883 hectares	TPA95, TPA102, TPA1036, TPA2477	19

Silviculture Survey Activities:

Silviculture establishment surveys will be carried out throughout the FMA, F1, F11, and F14 between May and October, 2010 to ensure reforestation standards are being achieved in plantations. Combined Tolko, and La Crete Sawmills are expecting to survey 637 blocks. The blocks will initially be surveyed from the air with a qualified Forester viewing the blocks from a helicopter. Areas will be coded as being satisfactorily stocked, not satisfactorily stocked or require a ground survey to confirm. Ground surveys will involve access to previously harvested areas via truck, quad, or helicopter, and technicians walking the areas conducting inventories.

Scarification Activities:

Scarification activities occur following harvesting activities in mid to late winter (December 1st to March 31st). The ground is scarified in order to ensure a plantable site for seedlings. Scarification allows planters the ability to put the tree in a soil layer that is best suited for rooting, initial growth and development of a healthy tree.

Table 3 shows all compartments slated for scarification activities in 2010/2011, overlapping traplines and provides a list of the detailed map numbers that can be referred to in Appendix II.

Table 3:

Compartment	Operator	Trapline Number	Map #
Bassett 2	Tolko	TPA1719, TPA1752	1
Bassett 1/3	Tolko	TPA205, TPA1514, TPA1719, TPA1752 TPA2303, TPA2325, TPA2505, TPA2784	2
Bassett 5	Tolko	TPA1063, TPA1514, TPA1701 TPA2325, TPA2505, TPA2784	3
F14	Tolko	TPA88, TPA251, TPA1752, TPA2928	4
Ponton 1	Tolko	TPA186, TPA1366, TPA2323	5
Ponton 3	Tolko	TPA186, TPA213, TPA247, TPA1366	6
Ponton 6/7	Tolko	TPA247	7
Wadlin 2/5	LaCrete Sawmills	TPA35, TPA79, TPA179, TPA1685	8
Wadlin 6	LaCrete Sawmills	TPA1685	9
Watt 3 Ponton 5	Tolko	TPA213, TPA247, TPA2923	10
Watt 5	Tolko	TPA241, TPA2292, TPA2898	11

2010/2011 Operations Activities:

Harvesting Activities:

Table 4 identifies the proposed fiber flow off the FMA in 2010/2011 for both coniferous and deciduous operators. FMU F51, F11 and F14 are not included as no volume will be taken from these areas that are covered in the 2010 GDP being submitted by the companies.

Table 4:

Compartment	Tolko	FFP		DMI	Precision	Netaskinan		Che Kli	Ridgeview
	FMA0200040	FMA0200040	DTLF510001	DTAF260006	DTAF260001	DTAF260003	DTAF260004	DTAF260005	DTAF260002
	Conifer	Deciduous							
Bassett 2	60,000								
Bassett 1/3	200,000								
Bassett 5	150,000								
F14	70,372								
Ponton 1	75,000								
Ponton 3	150,000	As of May 1, 2010, this Quota will not be active during the 2010/2011 harvest season	As of May 1, 2010, this Quota will not be active during the 2010/2011 harvest season	As of May 1, 2010, this Quota will not be active during the 2010/2011 harvest season	As of May 1, 2010, this Quota will not be active during the 2010/2011 harvest season	As of May 1, 2010, this Quota will not be active during the 2010/2011 harvest season	As of May 1, 2010, this Quota will not be active during the 2010/2011 harvest season	As of May 1, 2010, this Quota will not be active during the 2010/2011 harvest season	
Ponton 5	150,000								
Ponton 6/7	200,000								
Wabasca 1									75,000
Wadlin 2/5	85,000								
Wadlin 6	95,000								
Watt 3	325,000								
Watt 5	120,000								
Totals by Operator	1,685,000	0	0	0	0	0	0	0	75,000

Table 5 indicates the compartments proposed for harvest, the operator harvesting, overlapping traplines, and detailed map number in Appendix II to reference.

Table 5:

Compartment	Operator	Trapline Number	Map #
Bassett 2	Tolko	TPA1719, TPA1752	1
Bassett 1/3	Tolko	TPA205, TPA1514, TPA1719, TPA1752 TPA2303, TPA2325, TPA2505, TPA2784	2
Bassett 5	Tolko	TPA1063, TPA1514, TPA1701 TPA2325, TPA2505, TPA2784	3
F14	Tolko	TPA88, TPA251, TPA1752, TPA2928	4
Ponton 1	Tolko	TPA186, TPA1366, TPA2323	5
Ponton 3	Tolko	TPA186, TPA213, TPA247, TPA1366	6
Ponton 6/7	Tolko	TPA247	7
Wadlin 2/5	LaCrete Sawmills	TPA35, TPA79, TPA179, TPA1685	8
Wadlin 6	LaCrete Sawmills	TPA1685	9
Watt 3 Ponton 5	Tolko	TPA213, TPA247, TPA2923	10
Watt 5	Tolko	TPA241, TPA2292, TPA2898	11

2010/2011 Planning and Field Services Activities:

Layout and Line Clearing Activities:

There will be a harvest block boundary layout program occurring in Bassett 3, Bassett 5, F14, Negus 2, Negus 4, Ponton 1, Ponton 3, Ponton 7 from May 1, 2010 to August 31, 2010. The harvest blocks laid out during this program will be harvested during the 2010/2011 and 2011/2012 harvest season.

There will also be a winter layout program taking place from November 1, 2010 to April 30, 2011. In order to gain access into many of these areas existing lines must be cleared under frozen conditions. Line clearing utilizes existing infrastructure such as seismic lines, roads and pipelines to reduce the environmental footprint of this activity.

Once the block boundary layout has been completed this information is incorporated into Final Harvest Plans (FHP) that are submitted to Alberta for approval. Copies of these FHP's will be sent out to all Nations where there is potential impact to their traditional use areas. Line clearing projects are sent to Alberta (under a Temporary Field Authorization (TFA) request) for their review and approval prior to commencement. Copies of TFA's will be sent out to all trappers where there is potential impact to their trapping disposition.

The 2010 FHPs will be sent to Alberta for review and approval and to First Nations for information purposes between August 1st and September 30th. TFAs will be developed and sent out for review between October 1st and December 31st, 2010.

Table 6 identifies compartments where layout and line clearing activities will be taking place, and includes a list of overlapping traplines.

Table 6:

Compartment	Operator	Trapline Number
Caribou 3	Tolko	TPA242, TPA254, TPA2291, TPA2349, TPA2399
Caribou 5	Tolko	TPA247
Hay 1	Tolko	TPA1244, TPA1833, TPA1974, TPA2221, TPA2935
Hay 4	Tolko	TPA254
Negus 2	Tolko	TPA86, TPA93, TPA95
Negus 4	Tolko	TPA1377, TPA1719, TPA1752
Wadlin 2/5	LCSM	TPA35, TPA79, TPA179, TPA1685
Watt 2	Tolko	TPA95, TPA1036, TPA2477

Pile Burning Activities:

Pile burning is completed in blocks harvested the year prior (2009/2010) or earlier to remove piled slash debris that was created during logging operations. Burning these slash piles is a requirement of our Forest Protection Plan that helps reduce the potential fire hazard and silviculture liability.

Table 7 on the next page is a list of all areas where pile burning will be taking place. Pile burning will occur under favorable burning conditions from November 15th to December 31st, 2010. The list includes the compartments, company carrying out the activity, and the overlapping traplines.

Table 7:

Compartment	Operator	Trapline Number
Bassett 2	Tolko	TPA1719, TPA1752
Bistcho 2	Tolko	TPA93, TPA104
Caribou 4	Tolko	TPA254
Ponton 5	Tolko	TPA247
Ponton 7	Tolko	TPA247
Watt 3	Tolko	TPA247, TPA2923
Watt 5	Tolko	TPA241, TPA2292, TPA2898
Wadlin 2/6	La Crete Sawmills	TPA179, TPA1685
Wadlin 5	La Crete Sawmills	TPA79, TPA179

Contact Information:

The details provided in this supplemental information package are subject to change based on current and future consultations with First Nations and any factors that may alter the companies and other operator's milling potential.

The package is meant to improve the understanding of planned operational activities that will be occurring in 2010/2011. The companies' intention is that this package will promote and improve conversations and discussions that facilitate consultation around the 2010 GDP prior to and after submission to Alberta on June 1, 2010.

If you would like to schedule meetings to discuss any questions or concerns surrounding the planned activities for 2010/2011 please contact:

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