



2009 ANNUAL REPORT

SUSTAINABLE FOREST MANAGEMENT PLAN

MANITOBA SOLID WOOD DIVISION

September 2010

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Executive Summary

Tolko's Sustainable Forest Management (SFM) Plan for forest management on Manitoba's Forest Management Licence (FML) Area No.2 received Canadian Standards Association (CSA) certification October 2004. Documents relating to the SFM activities on the FML Area are available on the website at www.tolkomanitoba.com. Planning for forest management on the FML Area follows requirements outlined under *the Forest Act* and the FML Agreement. The current Forest Management Plan (FMP) covers the period 1997 to 2009 inclusive. The Company is licensed under the Manitoba *Environment Act* and this licence also outlines certain requirements that are to be met. Both the Environment Act Licence and the Forest Management Plan were extended in 2009.

Review of the SFM process is undertaken in several formats. The Environmental Management System (EMS)/ SFM Tolko staff committee met seven times during 2009. An annual meeting was held for contractors to review EMS and CSA. The FML Area Forest Resource Advisory Committee (FRAC) met 4 times in 2009 to discuss different aspects of CSA. Company staff review requirements at each block through tailgate meetings with contractors and monitor progress of the block through operation inspections. The SFM plan was audited twice in 2009.

Highlights from 2009 include:

- Continuation of CSA certification after re-registration audit
- Pre-harvest surveys were completed on 100% of the blocks (of non salvage blocks) prior to harvest (target 95%).
- Bulldozing remains less than 4% of productive land
- Roads remain well below target of 0.05% of productive land
- After 4 years road decommissioning has achieved 187% of 5 year target. Plus another 48.7 km as interim decommissioned
- 19 blocks were surveyed for CWD in 2009
- Contractor meeting and follow-up sessions were held
- 100 % compliance with planting of seedlings in the correct seed zone

Issues for 2009:

- The Company could not demonstrate where its relative log cost performance fell in the Price Waterhouse Coopers Log Cost Comparison as the survey no longer includes comparable operations.
- Staff training including the SARA/MESA training was conducted but 100% attendance did not occur.
- Watershed research monitoring did not occur.
- Invitation to FRAC members to observe the audit did not occur

Corrective actions and/or review of indicators are being undertaken to correct the issues.

Introduction

The purpose of this 2009 Sustainable Forest Management (SFM) Annual Report is to document the processes and activities that have been undertaken in fulfillment of commitments made in the Tolko SFM Plan for forest management on Forest Management Licence (FML) Area No. 2. This Annual SFM Report documents the progress made towards meeting the targets established for indicators being utilized to measure progress in SFM objectives for the Defined Forest Area (DFA). The SFM Plan and ongoing implementation processes have been put into place by Tolko Industries Ltd. Manitoba Solid Wood Division (also referenced as Tolko or the Company) in order to demonstrate to the public, and to its customers, the Company's commitment to SFM and to public participation in its planning processes. As required by the CSA Z809-02 Standard, Tolko has prepared this 2009 Annual Report to document progress made relevant to the SFM Plan for the FML Area No. 2 DFA and to provide a mechanism to update the plan as new information is realized.

The SFM Plan was prepared to meet the requirements of the Canadian Standards Association (CSA) Z809-02 Standard and to document the public participation, SFM performance framework, and SFM system that has now been set into place and is being maintained for FML Area No. 2. Tolko achieved certification to the CSA Z809-02 Standard, which is a Canadian national and an internationally recognized standard for SFM, through a certification audit held to assess the SFM Plan for the FML Area No. 2 in October, 2004. Subsequent to receiving certification, the Company has submitted four Annual SFM Reports; one for 2004, 2005 2006, 2007 and 2008. The plan has been amended in 2006 with changes to targets; 2008 changes to targets and factsheets and change to the DFA.

This 2009 Annual SFM Report details progress made in meeting SFM commitments for FML Area No. 2 during 2009. The report focuses on providing a report of progress made in terms of the performance framework established in the SFM Plan. It provides an overall review of progress made, successes achieved, shortcomings that have occurred, emerging issues, future plans and corrective actions that will be required in order to maintain the Sustainable Management Standard required by the CSA Z809-02 standard for FML Area No. 2.

For a description of the FML Area No. 2 Defined Forest Area (DFA) to which this 2009 Annual SFM Report pertains, and for details on the SFM system being utilized by Tolko on FML Area No. 2, the reader is directed to the SFM Plan for the DFA which is available on the website at www.tolkomanitoba.com. Other reports and publications pertaining to the SFM system and forest management processes on FML Area No. 2 are also available at the website.

In November 2008 the company was notified that the Grass River Park (FMU 60) was withdrawn from FML Area No.2 (as part of a general provincial policy of ending logging activities in all provincial parks in Manitoba with the exception of Duck Mountain); therefore, it is no longer part of the DFA under the Tolko Manitoba's SFM Plan. For an updated map of the DFA go www.tolkomanitoba.com .

As the sole Forest Management Licence holder for FML Area No. 2 DFA, Tolko continues to take responsibility for the lead role in maintaining the SFM System for the DFA. The Company continues to work closely on an ongoing basis with the various interested parties in planning and

implementing sustainable forest management on the DFA. This continues to build on past experiences and developed partnerships, including the development process for the SFM Plan itself.

In addition to this SFM Annual Report, the Company is responsible to prepare and submit a Forest Management Annual Report to Manitoba Conservation (MC) to follow-up on all forest management activities undertaken on the DFA as compared to the proposals of the related Annual Operating Plan (AOP).

As reported in the SFM Plan, the SFM system for FML Area No. 2 is closely aligned with the Tolko ISO 14001 registered Environmental Management System (EMS) for woodlands activities on the DFA. The EMS was originally registered as meeting the ISO 14001 standards as of January 21, 2003 and has continued its ISO registration to date.. As part of the process improvement and adaptive management process Tolko Industries Ltd. undertook a review and update of the EMS to more closely integrate the requirements of the CSA SFM Z809-02 within the EMS. The EMS scope and purpose is described in the EMS Manual (EMS Manual January 2009).

The EMS provides supporting infrastructure for the SFM system for the DFA. The roles and responsibilities of the Company and its staff in terms of implementing and maintenance of the EMS is outlined in the EMS Manual (scope, development of Standard Operating Procedures (SOPs), policy and forest management principles implementation, planning, implementation and operation, checking and corrective action and management review), the EMS Standard Operating Procedures, the EMS Training Matrix and the associated EMS Forms (Contractor Orientation Record (MB EMS Form WL001), Project Tailgate Checklist (MB EMS Form WL101) and Operations Inspection Form (MB EMS Form WL201). The use of operational controls in the EMS is guided by the Tolko Manitoba EMS Significant Aspect Operational Control Matrix.

In 2009 the Divisional Forester became the EMS and the SFM Champion responsible for implementation of the EMS and SFM on FML Area No. 2. In fulfilling these roles the Divisional Forester has coordination responsibilities with respect to the Tolko EMS and achievement of SFM at the Manitoba operation, particularly relating to liaison with the FML Area Forest Resource Advisory Committee (FRAC). The Divisional Forester became the chairperson for the EMS/SFM Tolko Staff Committee, to provide for the local maintenance of the EMS and SFM Systems at Tolko Manitoba on an ongoing basis. This committee reviews SOPs annually, develops action plans to address corrective action for any identified non-conformances, schedules training sessions, reviews and makes recommendations to senior management of any suggestions for process improvement brought forward and provides for follow-up with appropriate staff on any outstanding tasks for corrective action identified in the EMS. The scope of the EMS/SFM Committee at Tolko Manitoba also includes ongoing review requirements for the SFM process in support of the SFM Champion. This EMS/SFM Committee meets regularly to address ongoing requirements, with minutes recorded and posted on the Company Intranet for internal communication. In 2009 the Divisional Forester assumed the EMS/CSA related duties in time for preparation of this report.

In addition, Area Manager(s), the Woodlands Manager and the Corporate Sustainability Manager also take leading roles in responsibility for ensuring the EMS and SFM is maintained company-wide. All Tolko Industries Ltd. Manitoba Solid Wood Division employees take part in

fulfillment of responsibilities to ensure that all legislation and regulations are followed and that Standard Operating Procedures (SOPs) contained within the EMS are adhered to. All employees are responsible to actively participate in environmental management in the fulfillment of the Company's Environmental Policy. This work has included roles in the monitoring and reporting of indicators as reported in this 2009 SFM Annual Report.

As described in the SFM Plan, Tolko contractors and DFA workers, Manitoba Government staff, timber sale operators on the DFA, and other stakeholders continue to play a role in the implementation of SFM for FML Area No. 2.

This 2009 SFM Annual Report will be made available to the public via the Tolko Manitoba website at www.tolkomanitoba.com.

SFM 2009 ANNUAL REPORT REVIEW

The draft report was sent to active members of the SFMC on December 8, 2010 with a request to respond by December 20 with any comments on performance to the system and potential improvements.

The FRAC met on January 20, 2011 and reviewed pertinent parts of this report in its draft form. At that time there were several indicators that the Company was not able to demonstrate compliance with or felt in future years might not be able to meet as written. Input was requested from the committee to put action plans in place to address the issues.

The following indicators were discussed with the committee:

- 1.2.1.2.1 COSEWIC/MESA awareness for staff
- 3..2.1.2.1 Watershed research review
- 5.3.2.1.1 Average cost with comparable industry
- 6.4.1.1.3(B) FRAC representative on audits

The committee members recalled that an offer to participate in the 2009 audit was made at one of the meetings, however it was not documented and so it is shown as having been met.

Indicator 5.3.2.1.1 requires the Company to benchmark its log cost with an independent survey of similar woodlands operating costs. Due to the number of forestry operations in central Canada that are currently shut down there is nothing to compare costs against. During the review of the 2008 SFM Annual Report the committee offered several suggestions including trending the average costs from the previous surveys or applying cost adjustment factors to the previous survey to create a benchmark to compare to. None of these suggestions was found to be effective in practice. As a result the committee recommended that this indicator be put in abeyance until it is replaced in the revised plan to meet the Z08-2008 standard. The committee felt that when they originally proposed some of these indicators that they did not consider that some factors were outside the control of the company.

Management Review

The Tolko EMS/SFM Committee held a meeting on November 23, 2010 to review the 2009 SFM Annual Report, no changes were required.

The Woodlands Manager reviewed the original draft report and no changes were suggested.

As a result of the 2008 surveillance audit, the following actions were implemented in 2009:

- Modifications to Operations Inspection form to address fuel tanks and spill pads on equipment in more detail
- Modifications to FUEL, OIL and ANTIFREEZE SPILL – EMERGENCY PREPAREDNESS PROCEDURE to include training on spill kit use for contractor employees and spill pads on equipment
- EMS and CSA Annual Management Review templates developed.
- To ensure all contractors review the annual meeting material, their CORs were expired if they did not attend.

During 2009 two audits were undertaken for the SFM Plan. An internal audit was conducted in May. There were four areas to be considered. Three of these were related to the staff re-organization. These have been reviewed and incorporated as deemed appropriate. The audit report is available to Tolko staff on the Company's internal EMS website.

The second audit was a CSA re-registration audit completed by an external party September 25-October 2, 2009. There were four minor non-conformances (system weaknesses or areas of concern) and six opportunities for improvement (OFI). Corrective actions plans are being implemented for these minor non-conformances. The OFIs will be reviewed and any follow-up actions will be implemented in 2010. The audit was reviewed with the FML Area FRAC at the December 2009 meeting.

Planning Process Review

Forest management planning for the DFA is undertaken within a framework provided by the requirements of *The Forest Act* and the FML Agreement between the Company and the Province of Manitoba. Planning for quota holders and special allocation holders operating within the Manitoba Timber Sale System is incorporated within the plans of the Company as per the FML Agreement.

In addition to the planning requirements stipulated in *The Forest Act* and the FML Agreement, guidelines for forest management planning and operations have been produced by Manitoba Conservation (MC) which provide further requirements and guidance for planning on the DFA, including public participation requirements.

The current approved Forest Management Plan (FMP), within which the Company conducts its forest management activities, covers the period of 1997 to 2009, inclusive. As part of the requirements of Manitoba legislation respecting forest management for the DFA, the FMP development included a full Environmental Impact Assessment (EIA), public hearings before the Manitoba Clean Environment Commission (CEC) and licensing under *The Manitoba Environment Act*.

In June 2009, the Environment Act license has been extended until January 1, 2011. Manitoba Conservation has revised the submission date for the 2010-30 FMP so that the terms of reference for the new FMP is now due October 1, 2010.

The Tolko *Forest Management Planning and Operating Practices* (FMPOPs) (Tolko Manitoba 1996) was produced in concert with the development of the FMP. The FMPOPs provided a detailed documentation of the planning and operating practices employed by the Company for its forest management activities on the DFA, including planning and public participation processes, road development, harvesting, forest renewal, monitoring and reporting. The FMPOPs continue to provide a source of support and guidance for the approaches to be taken by the Company in mitigation of non-timber values for FML Area No. 2.

The FMPOPs are periodically reviewed to incorporate revisions to existing processes and to document new guidelines identified as required to meet SFM requirements for implementation of the SFM performance framework. The guide was updated in 2008 and continues to be reviewed periodically. The current FMPOP operator's guide is distributed with all contracts in 2009.

The 2008/09 AOP was submitted for approval to MC by the required date but Manitoba Conservation did not approve the AOP until December 2009. The delay in approval is a result of Manitoba Conservation undertaking First Nations consultation for the AOP. The company was given approval by MC for extension of the 2007/08 AOP to harvest any outstanding harvest blocks and complete associated silviculture activities which had not been done so during the 2007/08 operating year. Some additional blocks were also approved by MC to sustain operations until the First Nations consultation was complete. The operations outlined in the 2008/2009 AOP were undertaken in 2009.

Due to the delay in approval, the next AOP submission was written for the period of January 1, 2010 to May 31, 2011. The Company submitted the 2010/2011 Annual Operating Plan (AOP)

for approval (July 31, 2009), produced for the DFA within the scope provided by the approved FMP. The AOP included operations for January 1, 2010- May 31, 2011. As per the requirements of the MC *Planning and Submission Requirements for Annual Operating Plans*, the 2010/2011 AOP provided a detailed plan for operations proposed for the 2010/2011 “plan year” along with a “rolling” forecast of plans for 2011/2012 and 2012/2013. In this way a “rolling” three-year projection of operations is in place for the DFA at all times. Further to the public participation process undertaken in development of the FMP, additional ongoing public review was undertaken in 2009 in preparation of the 2010/2011 AOP with a focus on the proposed operations planned and forecasted for the 2010/2011 and 2011/2012 period. Public input received on the forecasted operations, particularly for road locations, classification and timing and for harvesting proposals, allowed the Company to refine the proposals as required. The approved 2010/2011 AOP for the DFA was made available for viewing on the Company’s website at www.tolkomanitoba.com.

Throughout 2009 work permit applications were submitted to MC for all operations prior to commencement of work in the field. This provided a final opportunity for any needed amendment to conditions or refinement of AOP proposals in addition to any final needed mitigation requirements for each site. The work permits, approved by the Integrated Resource Management Team (IRMT) for the Region, are signed off on by either the appropriate Company representative for the area or by the respective Timber Sale Operator.

Public Consultation Process Review

General

The Company has developed and utilized a variety of both informal and formal public consultation mechanisms over the past number of years as an integral component of the forest management planning process for FML Area No. 2. Various processes have been used in order to accommodate the wide range of public knowledge, different interests and varying levels of involvement desired by participants and to reflect community values and to address site specific concerns of individuals and groups.

In 2009 the Company promoted public awareness of forestry through Company participation in a variety of functions including:

- Presentations to specific user groups, public schools and community colleges;
- Provision of forestry field tours to interested groups; and,

Informal user group/individual resource stakeholder consultation, both in terms of attendance and presentation to association and group meetings, and in terms of one-on-one meetings and field trips with individual resource stakeholders continues on an ad hoc basis as required. Such information is useful for application to specific mitigation plans as applicable, including discussions occurring throughout 2009 for refinement of 2010/2011 operations and for use in the development of the 2010/2011 and 2011/2012 AOPs.

The AOP public information meetings continued in 2009 for the development of the 2010/2011 Plan. The public information meetings were held prior to the submission of the AOP to the

Manitoba Government for approval and were held across the DFA to offer several opportunities for local people to attend. Individual invitations were sent to a wide range of parties who have expressed an interest in attending these meetings in the past based upon the Tolko Public Mailing List. In addition, all meetings were advertised in the local newspapers and local communications media to ensure that the general public was informed of the meetings. Bulletin board postings were also utilized in smaller communities without local newspapers. The Public Mailing List utilized by the Company for specific invitation of interested parties includes all First Nations and other communities within the DFA, in addition to other special interest groups such as trappers associations. In addition, any party attending Tolko public information meetings who expresses an interest is added to the Public Mailing List. In this way the mailing list continues to be current as time goes on.

Findings of these meetings, including minutes taken, a listing of all attendees, and a summary of issues and concerns raised, was documented and summarized for follow-up of any pertinent information in the further development of the 2010/2011 AOP. The minutes from these meetings were also included as an appendix to the 2010/2011 AOP.

Tolko FML Area FRAC Committee

As noted in the 2004 SFM Annual Report, the CSA SFM Advisory Committee and the 2 existing Forest Resource Advisory Committees (FRAC) on FML Area No. 2, were merged to create a single FML Area FRAC. The FML Area FRAC is the ongoing formal public consultation mechanism being utilized for the continuing implementation of the SFM Plan for the DFA. For a detailed description of the process for the formation and functioning of the FRAC, and predecessor SFM Advisory Committee/2 FRAC committees, the reader is directed to the SFM Plan.

With the continuing implementation of the SFM Plan, the role of the FRAC Committee is continuing in terms of evaluation of the results of Plan implementation through measurement and reporting on the indicators. The committee is also important in its role of making recommendations on ways and means to make improvements to planning processes on the DFA in order to move forward with adaptive management and continual improvement for the area. At the same time, it is useful for this same committee to be involved in the other tasks of FMP and AOP review and other public participation roles in forest management on the DFA in order to assist in discussion and resolution of any issues relevant to SFM on the DFA and to maximize the learning and effectiveness of the committee. In 2009, the new CSA-SFM standard (Z809-08) was released. The committee is now revising the SFM plan to meet this standard. The committee has been renamed the SFM committee.

In 2009 the committee met four times:

- February 4, 2009
- June 8, 2009
- September 16, 2009
- December 2, 2009

Three community committees are in existence to discuss local issues. The communities are Snow Lake, Sherridon and Wanless. None of these committees met in 2009.

Status of Performance Indicators

Updates to SFM Plan Indicators

As part of the adaptive management process there is a need to recognize the need to modify and streamline processes and to make modifications to reflect practical solutions to operating requirements, while meeting the goals and objectives of the SFM System for FML Area No. 2. As such, several of the original indicators within the performance framework for the DFA have changed. The changes to the indicators have been reviewed by the FRAC and incorporated into the SFM performance framework for the DFA.

It is noted that no change was being proposed to the values or objectives associated with any of these indicators. Changes were to one or more of: management strategies, implementation processes and/or monitoring and reporting processes.

The FRAC approved all the changes to indicators listed in the following table during various meetings in 2008 which were implemented in 2009.

The revised SFM Plan will be posted on the Company's website www.tolkomanitoba.com.

Indicator Number	Indicator Description	Items being considered	Reason
1.1.1.1.1	Disturbance patterns	Include some variance in reporting	<ul style="list-style-type: none"> Unable to report completely in 2007 because no photography flown in 2007
1.2.1.3.1	Abundance of residual stand structure	Standing tree survey all blocks but with a variance of 10% . Include some variance in reporting	<ul style="list-style-type: none"> Operationally, not all blocks may be surveyed, but all blocks will be reviewed during preparation of cutover records Unable to report completely in 2007 because no photography flown in 2007
1.1.1.2.1	Cutover renewed to Gov't standards	Include some variance	<ul style="list-style-type: none"> Changes in land use or withdrawals may not permit Tolko to treat some blocks required to achieve gov't standards
1.1.1.3.1	AAC	Include 10% variance	<ul style="list-style-type: none"> If even 1cubic metre over – would be no compliance. Requires MC to change policy. indicator allows for variance
1.2.1.1.1	Caribou strategy	Include SARA reference	<ul style="list-style-type: none"> Since SFM plan written, SARA has become fully legislated
1.2.1.2.1	COSEWIC/MESA awareness for staff	Include SARA	<ul style="list-style-type: none"> Since SFM plan written, SARA has become fully legislated
1.3.1.1.1	Seedlings grown from Gov. seed zones	Add variance or more strident procedures	<ul style="list-style-type: none"> Reduce human errors
1.4.1.1.1	PHFI	Include SARA reference- remove COSEWIC references	<ul style="list-style-type: none"> Since SFM plan written, SARA has become fully legislated
3.1.1.1.5	Coarse Woody debris surveys	Add variance Align with MC MOU change to December 31, 2009	<ul style="list-style-type: none"> If unable to survey 15 blocks in year, allow for Tolko to make up difference in subsequent years
2.1.1.1.1	Cutover renewed to Gov't standards	Include some variance	<ul style="list-style-type: none"> Changes in land use or withdrawals may not permit Tolko to treat some blocks required to achieve gov't standards
3.1.1.1.1 (A)	Bulldozing less than 10% of prod land	Reduce to 8% <ul style="list-style-type: none"> Include some variance in reporting 	<ul style="list-style-type: none"> 10% is achievable Improvement Unable to report completely in 2007 because no photography flown in 2007
3.1.1.1.4	Cutover renewed to Gov't standards	Include some variance	<ul style="list-style-type: none"> Changes in land use or withdrawals may not permit Tolko to treat some blocks required to achieve gov't standards
4.1.1.1.3	Cutover renewed to Gov't standards	Include some variance	<ul style="list-style-type: none"> Changes in land use or withdrawals may not permit Tolko to treat some blocks required to achieve gov't standards
4.1.2.1.1	50% of sawlogs hauled by train	Add variance- reduce target to 30% 5 year rolling average	<ul style="list-style-type: none"> Target inflexible- with current HBR performance- unable to meet target Consider longer term rolling average
4.2.1.1.2	Cutover renewed to Gov't standards	Include some variance	<ul style="list-style-type: none"> Changes in land use or withdrawals may not permit Tolko to treat some blocks required to achieve gov't standards
5.1.1.1.1	AAC	Include 10% variance	<ul style="list-style-type: none"> If even 1cubic metre over – would be no compliance. Requires MC to change policy. indicator allows for variance
5.1.2.1.2	Cutover renewed to Gov't standards	Include some variance	<ul style="list-style-type: none"> Changes in land use or withdrawals may not permit Tolko to treat some blocks required to achieve gov't standards
5.2.1.1.1	75% value with local contractors	Add 15% variance	<ul style="list-style-type: none"> Some years this may not be achievable Consider rolling average
5.3.1.1.1	75% value with local contractors	Add 15% variance	<ul style="list-style-type: none"> Some years this may not be achievable Consider rolling average

Review of 2009 Performance Framework

The performance framework for the SFM System being implemented for the DFA consists of values, objectives, indicators and targets to address each of the CSA SFM Critical Elements associated with the CSA SFM Z809-02 Standard. This framework was developed through the public participation process associated with the development of the SFM Plan, led by the work of the FRAC Committee (formerly the CSA SFM Committee) for the values in place across the DFA (described in further detail in the SFM Plan).

For each of the performance indicators in the performance framework, a Tolko Woodlands staff member (Champion) was assigned responsibility to oversee follow-up and to ensure that monitoring, measurement and reporting is undertaken as required. The following table lists the indicators and the associated Tolko Manitoba Champion for the 2009 calendar year.

Indicator #	Theme	Champion
1.1.1.1.1	Fire pattern	Paul Chapman
1.1.1.2.1	Cutovers renewed to Gov. standards	Paul Chapman
1.1.1.3.1	Harvest levels follow Gov. AAC	Mike Paddock
1.2.1.1.1	Caribou strategy	Mike Paddock
1.2.1.2.1	SARA/MESA awareness for staff	Paul Chapman
1.2.1.3.1	5 wildlife trees/ hectare left standing	Mike Paddock
1.3.1.1.1	Seedlings grown from Gov. seed zones	Paul Chapman
1.4.1.1.1	2007 PHFI 95% of the blocks prior to harvest	Mike Paddock
1.4.2.1.1 (A)	No harvesting ASI & protected areas	Mike Paddock
(B)	Any harvesting proposed for ASIs to require specific approval of AOP and/or work permits for the proposed harvest area from the IRMT	Paul Chapman
2.1.1.1.1	Cutovers renewed to Gov. standards	Mike Paddock
2.2.1.1.1	Insect information from PHFI to MC	Wally Quiring
2.2.2.1.1	Minimize forest fires caused by Tolko	Paul Chapman
2.2.2.2.1	Control mistletoe from re-curing	Paul Chapman
3.1.1.1.1 (A)	Bulldozing less than 8% of prod land (2006 amendment)	Mike Paddock
(B)	Renew roads/landings	Paul Chapman
3.1.1.1.2	No enforcement action for rutting	Wally Quiring
3.1.1.1.3	Roads not to exceed 0.5% of prod land	Mike Paddock
3.1.1.1.4	Cutovers renewed to Gov. standards	Paul Chapman
3.1.1.1.5	Coarse woody debris research survey	Paul Chapman
3.2.1.1.1	No enforcement action near water	Wally Quiring
3.2.1.1.2	Road/crossing monitoring & action	Wally Quiring

Indicator #	Theme	Champion
3.2.1.2.1	Watershed research review	Paul Chapman
4.1.1.1.1 (A)	Close 150 km of old roads over 5 yr.	Wally Quiring
(B)	Roads not to exceed 0.5% of prod land	Mike Paddock
4.1.1.1.2	Renewal cutblocks within 3 years	Paul Chapman
4.1.1.1.3	Cutovers renewed to Gov. standards	Paul Chapman
4.1.2.1.1	30% of sawlogs hauled by train (2009)	Greg Taverner
4.1.2.1.2	Vehicle idling staff awareness training	Greg Taverner
4.2.1.1.1	Roads not to exceed 0.5% of prod land	Mike Paddock
4.2.1.1.2	Cutovers renewed to Gov. standards	Paul Chapman
5.1.1.1.1	Harvest levels follow Gov. AAC	Mike Paddock
5.1.1.2.1	No enforcement action with non timber values	Wally Quiring
5.1.2.1.1	Renewal cutblocks within 3 years	Paul Chapman
5.1.2.1.2	Cutovers renewed to Gov. standards	Paul Chapman
5.1.3.1.1	Public Consultation	Mike Paddock
5.1.4.1.1	Heritage review for all major roads	Mike Paddock
5.1.5.1.1 (A)	No harvesting ASI & protected areas	Mike Paddock
(B)	Any harvesting proposed for ASIs to require specific approval of AOP and/or work permits for the proposed harvest area from the IRMT	Mike Paddock
5.2.1.1.1	75% value with local contractors	Joyce Totte
5.2.1.2.1	Public consultation	Mike Paddock
5.2.2.1.1	Truck haul safety program	Wally Quiring
5.3.1.1.1	75% value with local contractors	Joyce Totte
5.3.2.1.1	Average cost with comparable industry	Wally Quiring
6.1.1.1.1	Aboriginal awareness training for staff	Wally Quiring
6.1.1.2.1	Public consultation	Mike Paddock
6.2.1.1.1	Public consultation	Mike Paddock
6.3.1.1.1	FRAC independent opinion survey	Paul Chapman
6.4.1.1.1	Annual contractor awareness meeting	Wally Quiring
6.4.1.1.2	Staff training – conferences/research	Doug Hunt
6.4.1.1.3 (A)	FRAC meetings/field trips	Paul Chapman
(B)	FRAC rep on audits	Paul Chapman
6.4.1.2.1	Public information sharing mechanisms –web, mail list	Joyce Totte

Based upon the review of the SFM performance framework for the DFA for 2009 the following fact sheets provide a summary of the progress made, successes, shortcomings and any needed follow-up for each indicator.

Throughout the indicator fact sheets, any modifications that have been made from the original performance framework developed within the original SFM Plan (2004) have been noted along with the year that the modification has come into effect. This is the second such SFM Annual Report for which modifications to the performance framework have occurred and all such modifications for this report are labeled as (2006) or (2008).

Indicator #	Theme	Target Status	Progress
1.1.1.1.1	Fire pattern	Met target. No variance occurred.	Analysis for available data from 2008 harvest and 2008 & 2009 fire has been completed.
1.1.1.2.1	Cutovers renewed to Gov. standards	On track to meet target.	No ground surveys were conducted in 2009. Aerial surveys were completed on 58 blocks in 2009. Four blocks were previously ground surveyed and were used for calibration. 15 were classified as FTG, 17 met the regeneration standard 15 require herbicide treatment. Eight blocks will require ground surveys. 7 will be surveyed in 2010. One block from the 2006 surveys requires herbicide treatment before fill plant and one from the 2007 was fill planted in 2009.
1.1.1.3.1	Harvest levels follow Gov. AAC	Met target. Within acceptable variance.	The 5-year cut control volume was not exceeded in any FMUs during the 2009-10 operating year (June 1, 2009 to May 31, 2010). Three AACs were exceeded in 2009-10 (FMU 12, 55 and 56). Manitoba Conservation approval letters are on file for FMUs 12, 55 and 56.
1.2.1.1.1	Caribou strategy	Met target. No variance occurred.	Harvest strategy was completed in 2006 and examination of the 2006 -07 photos were reported in the 2007 Annual CSA report. Tolko continues to be a member of the NW Regional Caribou Management Committee
1.2.1.2.1	COSEWIC/MESA awareness for staff	Did not meet target.	Staff training did occur but staff attendance was not 100%. Survey contractor staff was trained.. The FMPOP operators' guide was updated in 2009 to include Red-headed Woodpecker and reviewed with contractors.

1.2.1.3.1	5 wildlife trees/ hectare left standing 2008 target- 100 % of blocks to be surveyed in the field within 10%	Met target. No variance occurred.	Field surveys were completed in three forest sections with results ranging from 15 to 174 trees per hectare. The averages by forest section were: Mountain 22.67, Highrock 43, Saskatchewan River 50.32 trees per hectare. The photo review of patches for 2008/09 resulted in average patch numbers of 37.5 in the Mountain, 19.7 in the Highrock and 7.1 in the Saskatchewan River Forest Section per harvest block. The 2008 target of 100% of blocks would be surveyed with 10% variance was met.
1.3.1.1.1	Seedlings grown from Gov. seed zones	Met target. No variance occurred.	All seed lots used for planting trees on the license area were tracked in 2009. No trees were planted in the wrong seed zone.
1.4.1.1.1	PHFI 95% of blocks prior to harvest	Met target Within acceptable variance.	100% of the blocks were surveyed.
1.4.2.1.1 (A)	No harvesting in recognized protected areas	Met target. No variance occurred.	No harvesting occurred in an ASI or protected area.
1.4.2.1.1 (B)	Any harvesting proposed for ASIs to require specific approval of AOP and/or work permits for the proposed harvest area from the IRMT.	Met target. No variance occurred.	
2.1.1.1.1	Cutovers renewed to Gov. standards	On track to meet target.	No ground surveys were conducted in 2009. Aerial surveys were completed on 58 blocks in 2009. Four blocks were previously ground surveyed and were used for calibration. 15 were classified as FTG, 17 met the regeneration standard 15 require herbicide treatment. Eight blocks will require ground surveys. 7 will be surveyed in 2010. One block from the 2006 surveys requires herbicide treatment before fill plant and one from the 2007 was fill planted in 2009.

2.2.1.1.1	Insect information from PHFI to MC	Met target. No variance occurred.	PHFI survey data provided to MC. FTG and regeneration assessment was conducted aerially, no insects or diseases of concern were found. (see indicator 2.1.1.1.1).
2.2.2.1.1	Minimum forest fires caused by Tolko	Met target. No variance occurred.	There were no fires resulting from Tolko or contractor operations in 2009.
2.2.2.2.1	Control mistletoe from recurring	Met target. No variance occurred.	One block had fill plant with non-host species. During site preparation in two blocks residual host species were knocked down. In these blocks there was also fill planting of non-host species. During harvest in two blocks, mistletoe was noted and removal of host species occurred.
3.1.1.1.1 (A)	Bulldozing less than 8% of prod land	Met target. No variance occurred.	All forest sections were below 4% and the average for the DFA was 2.50%.
(B)	Renew roads/landings	Met target. No variance occurred.	Company continues to ensure that roads and landing are included in silviculture strategies for each block and that the silviculture surveys include the roads and landings.
3.1.1.1.2	No enforcement action for rutting	Met target. No variance occurred.	No violations regarding soil.
3.1.1.1.3	Roads not to exceed 0.5% of prod land	Met target. No variance occurred.	Roads were 0.0211% of productive land in 2009.
3.1.1.1.4	Cutovers renewed to Gov. standards	On track to meet target.	No ground surveys were conducted in 2009. Aerial surveys were completed on 58 blocks in 2009. Four blocks were previously ground surveyed and were used for calibration. 15 were classified as FTG, 17 met the regeneration standard 15 require herbicide treatment. Eight blocks will require ground surveys. 7 will be surveyed in 2010. One block from the 2006 surveys requires herbicide treatment before fill plant and one from the 2007 was fill planted in 2009.
3.1.1.1.5	Coarse woody debris research survey	Met target. No variance occurred.	19 blocks surveyed in 2009.
3.2.1.1.1	No enforcement action near water	Met target. No variance occurred.	No violations regarding water.
3.2.1.1.2	Road/crossing monitoring and action	Met target. No variance occurred.	Inspected 43 road networks.

3.2.1.2.1	Watershed research review	Did not meet target.	Research projects were not conducted in 2009. Staff attended one web seminar related to watershed management and continued to monitor projects. The summary report for this indicator was not completed for 2008, because the SFMN is undertaking a literature review. This literature review was not published in 2009.
4.1.1.1.1 (A)	Close 150 km of old roads over 5 yr.	Exceeded 5 year target. Within acceptable variance.	As of December 31, 2009, 280.6 km Class I and II roads decommissioned. 18 km were closed in 2009 bringing the interim decommissioned roads total to 48.7 km.
(B)	Roads not to exceed 0.5% of prod land	Met target. No variance occurred.	Roads were 0.0211% of productive land in 2009.
4.1.1.1.2	Renewal cutblocks within 3 years	Met target; no variance occurred.	The company is 100% within compliance on this indicator.
4.1.1.1.3	Cutovers renewed to Gov. standards	On track to meet target.	No ground surveys were conducted in 2009. Aerial surveys were completed on 58 blocks in 2009. Four blocks were previously ground surveyed and were used for calibration. 15 were classified as FTG, 17 met the regeneration standard 15 require herbicide treatment. Eight blocks will require ground surveys. 7 will be surveyed in 2010. One block from the 2006 surveys requires herbicide treatment before fill plant and one from the 2007 was fill planted in 2009.
4.1.2.1.1	30% of sawlogs hauled by train (2008)	Met target. No variance occurred.	Of the sawlogs delivered by train, the five year average is 41.93%
4.1.2.1.2	Vehicle idling staff awareness training	Met target. No variance occurred.	Awareness session held with Woodlands staff, and idling emission quiz e-mailed to staff.
4.2.1.1.1	Roads not to exceed 0.5% of prod land	Met target. No variance occurred.	Roads were 0.0211% of productive land.

4.2.1.1.2	Cutovers renewed to Gov. standards	On track to meet target.	No ground surveys were conducted in 2009. Aerial surveys were completed on 58 blocks in 2009. Four blocks were previously ground surveyed and were used for calibration. 15 were classified as FTG, 17 met the regeneration standard 15 require herbicide treatment. Eight blocks will require ground surveys. 7 will be surveyed in 2010. One block from the 2006 surveys requires herbicide treatment before fill plant and one from the 2007 was fill planted in 2009.
5.1.1.1.1	Harvest levels follow Gov. AAC	Met target. Within acceptable variance.	The 5-year cut control volume was not exceeded in any FMUs during the 2009-10 operating year (June 1, 2009 to May 31, 2010). Three AACs were exceeded in 2009-10 (FMU 12, 55 and 56). Manitoba Conservation approval letters are on file for FMUs 12, 55 and 56.
5.1.1.2.1	No enforcement action with non timber values	Met target. No variance occurred.	No major non-compliances regarding non-timber values.
5.1.2.1.1	Renewal cutblocks within 3 years	Met target; no variance occurred.	The Company is 100% compliant.
5.1.2.1.2	Cutovers renewed to Gov. standards	On track to meet target.	No ground surveys were conducted in 2009. Aerial surveys were completed on 58 blocks in 2009. Four blocks were previously ground surveyed and were used for calibration. 15 were classified as FTG, 17 met the regeneration standard 15 require herbicide treatment. Eight blocks will require ground surveys. 7 will be surveyed in 2010. One block from the 2006 surveys requires herbicide treatment before fill plant and one from the 2007 was fill planted in 2009.
5.1.3.1.1	Public consultation	Met target. No variance occurred.	Public meeting process in place and public concerns table utilized to ensure non-timber values, other resource users and Aboriginal concerns are addressed.
5.1.4.1.1	Heritage review for all major roads	Met target. No variance occurred.	No new major roads were proposed or developed in 2009.

5.1.5.1.1 (A)	No harvesting in recognized protected areas	Met target. No variance occurred.	No harvesting occurred in an ASI or protected area. Harvesting approval was not received for any proposed blocks with an ASI.
5.1.5.1.1 (B)	Any harvesting proposed for ASIs to require specific approval of AOP and/or work permits for the proposed harvest area from the IRMT.	Met target. No variance occurred.	
5.2.1.1.1	75% value with local contractors. 2008-15 % variance	Met target. Within variance	The target was met with 77% of the value of signed contracts held by local contractors.
5.2.1.2.1	Public consultation	Met target. No variance occurred.	Public meeting process in place and public concerns table utilized to ensure non-timber values, other resource users and Aboriginal concerns are addressed.
5.2.2.1.1	Truck Haul Safety Program	Met target. No variance occurred.	Reviewed with contractors.
5.3.1.1.1	75% value with local contractors. 2008-15 % variance	Met target. Within variance	The target was met with 77% of the value of signed contracts held by local contractors.
5.3.2.1.1	Average cost with comparable industry	Did not meet target. Not within acceptable variance.	In 2009 the Company was not able to use the log cost survey for comparison due to lack of participation by other Eastern Canada companies.
6.1.1.1.1	Aboriginal awareness training for staff	Met target. No variance occurred.	No requirement for 2009. Met with OCN Resource Council.
6.1.1.2.1	Public consultation	Met target. No variance occurred.	Public meeting process in place and public concerns table utilized to ensure non-timber values, other resource users and Aboriginal concerns are addressed.
6.2.1.1.1	Public consultation	Met target. No variance occurred.	Public meeting process in place and public concerns table utilized to ensure non-timber values, other resource users and Aboriginal concerns are addressed.
6.3.1.1.1	FRAC independent opinion survey	Met target. No variance occurred.	Not required for 2009. The chair undertook to develop a satisfaction survey as an exit survey from each meeting and to compile the results and provide a summary at each following meeting. This process began at the first regular meeting following the election of the new chair, which was January 2010.
6.4.1.1.1	Annual contractor awareness meeting	Met target. No variance occurred.	One session was held for contractors across the DFA. Two contractor follow-up sessions were held.

6.4.1.1.2	Staff training – conferences/research	Met target. No variance occurred.	One trip was taken by staff with reports filed to describe potential opportunities for improvement. Reports were also recorded for five web seminars
6.4.1.1.3 (A)	FRAC meetings/field trips	Met target. No variance occurred.	Four meetings and a mill tour were conducted.
(B)	FRAC rep on audits	Did not meet target. No variance occurred.	No opportunity was given to the FRAC members observed the audit process.
6.4.1.2.1	Public information sharing mechanisms –web, mail list	Met target. No variance occurred.	Mail-outs and website additions listed. Forestry Newsletter was not completed in 2009.

Summary of Indicator Assessment

As indicated in the SFM Plan, this 2009 Annual Report will be prepared and made available to the public describing the Company's progress in meeting and maintaining the SFM requirements. This report provides the opportunity for the Company to communicate how the policy commitments are being implemented and how continual improvement is being made. From the assessment of the performance indicators the following discussion summarizes findings in terms of:

- Emerging issues being encountered;
- Future plans;
- Corrective actions required; and,
- Management commitments for moving forward.

Indicator assessments are based on the calendar year with the exception of the following:

- 1.1.1.1.1 Fire Patterns
- 1.1.1.3.1/5.1.1.1.1 Harvest levels in cubic metres as compared to AAC.
- 1.2.1.3.1 Abundance of residual stand structure.
- 1.4.1.1.1 Percentage of proposed harvest blocks subject to pre-harvest surveys (PHFI).
- 3.1.1.1.1 (A) Extent and duration of in-block seasonal roads and landings.

Indicators 1.1.1.1, 1.2.1.3.1 and 3.1.1.11 (A) require cutover photo review of activities on AOP blocks versus actual harvest. The operating year (June 1 to May 31) from two years previous is evaluated. I.e. for this report, reported activities for these indicators occurred between June 1, 2007 to May 31, 2008.

Indicators 1.1.1.3.1, 1.4.1.1.1 and 5.1.1.1.1 are also reported on the operating year but on the previous one, i.e. June 1, 2008 to May 31, 2008.

Of the 53 indicators:

- 43 were met in 2009.
- 6 are on track to meeting targets.
- 4 did not meet targets. (1.2.1.2.1, 3.2.1.2.1, 5.3.2.1.1 and 6.4.1.1.3 (B)).

Of the 43 that met targets, the highlights include:

- Achieved 187% of 5 year target for road decommissioning.
- The target for coarse woody debris surveys was completed.
- 100% of blocks were surveyed (PHFI) prior to harvest.
- Roads remain well below 0.05% of productive land.
- 100 % compliance with planting of seedlings in the correct seed zone

The 6 indicators that are on track to meeting targets all involve meeting the regeneration and FTG standards. Implementation of the indicator acknowledges that follow-up treatments may be required to meet the target. Remedial actions are discussed in the progress report.

FRAC members were not invited to observe the audit (6.4.1.1.3(B))

Reporting on indicator 5.3.2.1.1 is still an issue as no comparable benchmark is available. Other surveys were being investigated during 2007 and 2008 but none are comparable. The indicator is under review.

Watershed projects were not monitored in 2009.

Indicator 1.2.1.2.1, staff did not receive species at risk training in 2009. Contractors and survey crews did review the species at risk.

Implementation was not completed for watershed research because the Sustainable Forest Management Network is undertaking a related research program. The second indicator in which an implementation action was not completed is 6.4.1.2.1., the Forestry Newsletter was not completed in 2009. All other activities for implementation were completed.

Portions of this 2009 SFM Annual Report were reviewed with the FRAC Committee to incorporate input prior to the report being finalized. Findings of this Annual Report will be reviewed at the Tolko Manitoba Woodlands Contractor Meetings. The final report will be available on www.tolkomanitoba.com.

Listing of Indicators of the SFM Performance Framework for the DFA

Indicator	Indicator Name
1.1.1.1.1	Area (ha.) and frequency distribution of harvest and natural disturbance areas (by size class)
1.1.1.2.1	Forest cover composition of reforested cutover areas
1.1.1.3.1	Harvest levels in cubic metres as compared to the AAC
1.2.1.1.1	Woodland caribou habitat for the Kississing-Naosap Lakes Herd
1.2.1.2.1	Staff awareness of current COSEWIC and MESA lists for DFA
1.2.1.3.1	Abundance of residual stand structure
1.3.1.1.1	Percentage of areas planted with stock from the same or approved government seed zone
1.4.1.1.1	Percentage of proposed harvest blocks subject to pre-harvest surveys (PHFI)
1.4.2.1.1	Protected Areas and ASIs recognized in forest management plans (FMP and AOP)
2.1.1.1.1	Forest cover composition of reforested cutover areas
2.2.1.1.1	Provision of information on insects and disease to MC for the DFA
2.2.2.1.1	Company caused forest fires
2.2.2.2.1	Recurring mistletoe infections in regenerating stands
3.1.1.1.1	Extent and duration of in-block seasonal roads and landings
3.1.1.1.2	Adherence to Work Permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides
3.1.1.1.3	Amount of area in all-weather roads (Categories 1 and 2) in place at any given time
3.1.1.1.4	Forest cover composition of reforested cutover areas
3.1.1.1.5	Amount and distribution of coarse woody debris
3.2.1.1.1	Adherence to Work Permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides
3.2.1.1.2	Condition of stream crossings and roadways in terms of erosion control
3.2.1.2.1	Reporting on evolution of watersheds research specific to forestry planning and operations
4.1.1.1.1	Amount of area in all-weather roads (Categories 1 and 2) in place at any given time
4.1.1.1.2	Harvest blocks are regenerated as soon as possible
4.1.1.1.3	Forest cover composition of reforested cutover areas
4.1.2.1.1	Percentage of wood hauled by truck versus train
4.1.2.1.2	Level of awareness of Woodlands staff of effects on unnecessary vehicle idling
4.2.1.1.1	Amount of area in all-weather roads (Categories 1 and 2) in place at any given time
4.2.1.1.2	Forest cover composition of reforested cutover areas
5.1.1.1.1	Harvest levels in cubic metres as compared to the AAC
5.1.1.2.1	Adherence to Work Permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides
5.1.2.1.1	Harvest blocks are regenerated as soon as possible
5.1.2.1.2	Forest cover composition of reforested cutover areas
5.1.3.1.1	Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)
5.1.4.1.1	Proposed all-weather roads reviewed for the potential for the occurrence of heritage resources
5.1.5.1.1	Protected Areas and ASIs recognized in forest management plans (FMP and AOP)
5.2.1.1.1	Extent of local involvement in forest operations in the DFA
5.2.1.2.1	Documentation of public consultation process followed, communities consulted, concerns

Indicator	Indicator Name
	raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)
5.2.2.1.1	Programs in place related to public safety during truck haul operations on DFA Company roads
5.3.1.1.1	Extent of local involvement in forest operations in the DFA
5.3.2.1.1	Cost per cubic metre of delivered wood
6.1.1.1.1	Percentage of Woodlands staff who have participated in Aboriginal, treaty rights and culture awareness sessions
6.1.1.2.1	Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)
6.2.1.1.1	Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)
6.3.1.1.1	Degree of satisfaction with the public participation component of the planning process
6.4.1.1.1	Training and awareness opportunities for contractors on the DFA
6.4.1.1.2	Tolko understanding and practices based on current and emerging knowledge and recommended practices
6.4.1.1.3	Training members of the Forest Resource Advisory Committees (FRAC) and the SFM Committee
6.4.1.2.1	Access of the broad public to information on SFM, FMP and AOP plans and related public participation processes

Tolko Manitoba DFA Indicator Performance for 2009

Based upon the review of the SFM performance framework for the DFA for 2009, the following fact sheets provide a summary of the progress made for each indicator. Highlighted text indicates that targets have been modified during the last year.

CCFM Criterion 1.0	Conservation of Biological Diversity
CSA SFM Element 1.1	Ecosystem Diversity Conserve ecosystem diversity at the landscape level by maintaining the variety of communities and ecosystems that occur naturally in the DFA
FML Area No. 2 DFA Value 1.1.1	A resilient forest ecosystem that emulates natural disturbances and landscape patterns
Objective 1.1.1.1	Create a range of harvest disturbance patches across the landscape that is consistent with the size, frequency, distribution and shape of disturbance patches created under a natural fire regime

Indicator 1.1.1.1.1	Target 1.1.1.1.1
Area (ha.) and frequency distribution of harvest and natural disturbance areas (by size class)	Monitor and report on patch size and distribution resulting from natural and timber harvest disturbances for the DFA Acceptable Variance: No variance in undertaking the measurement and reporting program is acceptable. No targets are set for patch size and distribution for the DFA at this time and as such, no variances for patch size or distribution are applicable at this time.
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

In 2009 the summary by size class for 2008 harvest and 2008 fires. The summary can be found on the Corporate EMS website. Also included is the area summary for 2009 fires.

Harvest summaries are determined from cutover records which are based on the operating year – June 1 to May 31. These records are collated from aerial photography flown the summer following the end of the operating year. Compilation of the records occurs in the following fall or winter.

Size Class (ha)	2007 Harvest	2008 Harvest	Harvest 1976-2008	2007 Fire	2008 Fires	2009 Fires	Fire 1976-2008
0-10	0	5	178	116	178	77	3885
11-20	6	5	205	1	3	4	118
21-30	8	7	205	1	6	3	64
31-40	4	4	180	1	3	0	43
41-50	5	6	153	0	3	0	22
51-60	5	4	124	0	0	3	22
61-70	4	3	114	0	0	1	14
71-80	6	2	136	0	0	0	10
81-90	0	5	89	0	0	0	11
91-100	4	0	78	0	0	0	12
101-200	19	4	351	1	2	1	59
201-300	2	2	74	1	0	0	28
301-400	1	1	14	0	0	0	24
401-500	0	0	11	0	0	0	13
501-1000	1	1	15	0	0	1	32
1001-2000	0	0	1	0	0	0	25
2001-3000	0	0	0	2	0	0	13
3001-4000	0	0	0	0	0	0	5
4001-5000	0	0	0	0	0	0	5
5001-10000	0	0	0	0	1	0	24
10001-100000	0	0	0	1	1	0	37
100000+	0	0	0	0	0	0	3
#	65	49	1928	124	197	90	4469
Average size	92.7199	74.46413	74.83898562	352.8447	319.7739	12.59838	400.175787
Max size	630.27	606.34902	1713.25	38300.98	52997.45	588.681	110787.497
Min size	11.2208	2.49783	1.53439	0.048981	0.001051	0.006101	0.00105100
Total Area	6026.79	3648.74237	144289.5643	43752.75	62995.46	1133.854	1788385.59

CCFM Criterion 1.0	Conservation of Biological Diversity
CSA SFM Element 1.1	Ecosystem Diversity Conserve ecosystem diversity at the landscape level by maintaining the variety of communities and ecosystems that occur naturally in the DFA
FML Area No. 2 DFA Value 1.1.1	A resilient forest ecosystem that emulates natural disturbances and landscape patterns
Objective 1.1.1.2	Reforest all harvested areas to the previous forest cover type

Indicator 1.1.1.2.1	Target 1.1.1.2.1
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements Acceptable Variance(2008): With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies, <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company's renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.
	Progress Towards Achievement
	On track to meet target.

2009 Report

There were no formal regeneration survey or free to grow surveys conducted in 2009. The silviculture forester conducted several aerial surveys to assess the possibility of determining block status from a low level aerial evaluation conducted during the leaf off stage. Fifty-eight blocks were surveyed aurally. Four blocks had been previously ground surveyed and were used for calibration. Of the remaining blocks, fifteen were classified as Free-to-grow, 17 as meeting the softwood regeneration standard, 15 required herbicide treatment. Eight couldn't be classified from the air and will be ground surveyed and 7 will be aurally surveyed in 2010.

Remedial action on blocks identified in prior reports as requiring treatment to meet standards:
2006 report: One block, MB-40 requires a herbicide treatment prior to fill planting. These treatments are scheduled. All remaining blocks meet the softwood regeneration standard.

2007 report: two blocks were identified in the 2007 report as needing treatment to meet the regeneration standard. Block TU-7 was fill planted to the required density in 2008 and block EA-1 was fill planted in 2009.

From initial aerial assessments done in 2008 six blocks were identified as requiring a traditional ground survey to identify current status. Four blocks, JO-64, JO-66, JO-67 and RL-21 (total area 495 ha) require a regeneration survey. These surveys were scheduled in WTS. Two blocks B24B and TM-25 (total area 199 ha) required a free to grow survey. The free-to-grow surveys were conducted in 2009. The Manitoba Silviculture Technical Committee is presently investigating procedures for implementing aerial surveys and Tolko is represented on the subcommittee.

CCFM Criterion 1.0	Conservation of Biological Diversity
CSA SFM Element 1.1	Ecosystem Diversity Conserve ecosystem diversity at the landscape level by maintaining the variety of communities and ecosystems that naturally occur in the DFA
FML Area No. 2 DFA Value 1.1.1	A resilient forest ecosystem that emulates natural disturbances and landscape patterns
Objective 1.1.1.3	Harvest within sustainable levels and harvest operating guidelines to promote the presence of a range of age classes on the DFA

Indicator 1.1.1.3.1	Target 1.1.1.3.1
Harvest levels in cubic metres as compared to the AAC	Harvest levels to remain within Government approved AAC
	Acceptable Variance: No variance in harvest levels outside of MC approved AAC levels based upon 5-year cut control periods is acceptable. Variation in any given year may occur. MC approved AAC levels may include accommodation of underutilized AAC from the previous period.
	Progress Towards Achievement
	Met target. Within acceptable variance.

2009 Report

Annual Allowable Cut:

- The 5-year cut control volume was not exceeded in any FMUs during the 2009-10 operating year (June 1, 2009 to May 31, 2010). Three AACs were exceeded in 2009-10 (FMU 12, 55 and 56) in accordance with the provincial cut control policy. Manitoba Conservation approval letters are on file for FMUs 12, 55 and 56.

CCFM Criterion 1.0	Conservation of Biological Diversity
CSA SFM Element 1.2	Species Diversity Conserve species diversity by ensuring that habitats for the native species found in the DFA are maintained through time
FML Area No. 2 DFA Value 1.2.1	Continued existence of all animal and plant species native to the DFA within the historical natural range of variability
Objective 1.2.1.1	To maintain wildlife habitat for woodland caribou

Indicator 1.2.1.1.1	Target 1.2.1.1.1
Woodland caribou habitat for the Kississing-Naosap Lakes Herd	Implement forest management strategy for the Kississing-Naosap Lakes woodland caribou range Acceptable Variance: No variance from agreed-to critical habitat area restrictions is acceptable
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

The Woodland Caribou (Boreal population) is listed as a threatened species under Schedule 1 of the federal Species At Risk Act (SARA).

A strategy designed by Tolko forestry staff for the Kississing-Naosap herd that was implemented in 1999 as an integral part of harvesting activities occurring in the Naosap Operating Area was completed with the conclusion of the 2006 harvest.

The portion of the Naosap Road beyond the Sewap Creek Bridge that was interim decommissioned in 2007 remained closed through 2009.

Discussions with Manitoba Conservation continued throughout 2009 on timber harvest activities in the Peterson and Rodwalsh Operating Areas that form part of the Kississing-Naosap caribou range. The bulk of the caribou specific harvest block mitigation for the Peterson operating area was completed in 2009. The first leg of the Optic Winter Road (to access the south end of the Peterson Operating Area) was opened in March 2009 as far as the railway crossing. The second leg of the Optic Winter Road between the railway crossing and the Chisel Railbed was opened in December 2009.

In 2009 Tolko continued to participate as a member of the Northwest Region Caribou Management Committee. The Company also contributed aircraft fuel for caribou survey work in the Northeast and Northwest Regions.

CCFM Criterion 1.0	Conservation of Biological Diversity
CSA SFM Element 1.2	Species Diversity Conserve species diversity by ensuring that habitats for the native species found in the DFA are maintained through time
FML Area No. 2 DFA Value 1.2.1	Continued existence of all animal and plant species native to the DFA within the historical natural range of variability
Objective 1.2.1.2	Ensure species at risk are considered in planning and operations

Indicator 1.2.1.2.1	Target 1.2.1.2.1
Staff awareness of current COSEWIC and MESA lists for DFA	100% of Tolko Woodlands staff to undertake review of SARA and MESA lists annually
	Acceptable Variance: No variance from 100% complete review by all staff is acceptable.
	Progress Towards Achievement Did not meet target. Less than 100% attendance.

2009 Report

In 2009, periodic checks of the Species At Risk Act (SARA), COSEWIC and MESA websites in order to prepare the Species at Risk list (VTER) for the DFA. There was one addition as a result of these checks.

One species, Red-headed woodpecker, was added to the VTER list for the DFA. Two other birds may be found on the DFA but not in forested areas- Rusty Blackbird and Chimney Swift.

The Species At Risk section of the FMPOP operators' guide was updated in 2009 to include Red-headed woodpecker and reviewed at the October 2009 contractors' meeting.

The following material was reviewed with survey crews (August & October 2009):

- Federal and Provincial legislation.
- Tolko's commitment for the Protection of Species at Risk.
- Species at Risk for the DFA

The species at risk for the DFA was reviewed at a regular staff training session September 28, 2009. However only 70% of staff attended.

CCFM Criterion 1.0	Conservation of Biological Diversity
CSA SFM Element 1.2	Species Diversity Conserve species diversity by ensuring that habitats for the native species found in the DFA are maintained through time
FML Area No. 2 DFA Value 1.2.1	Continued existence of all animal and plant species native to the DFA within the historical natural range of variability
Objective 1.2.1.3	Plan and implement forest operations incorporating general wildlife habitat considerations

Indicator 1.2.1.3.1	Target 1.2.1.3.1
Abundance of residual stand structure	At least 5 standing trees (alive and dead) per hectare retained across harvested areas on a forest section basis. Harvest modifications for insect or disease management requirements potentially impacting retention results will be documented. Acceptable Variance(2008): While the intent is to field survey 100% of harvested blocks a variance of -10% of total cut blocks is acceptable for the field survey portion. No variance acceptable on the available photo(s) examination and documentation of structure retention results on cutover photography as part of the cutover reporting process.
	Progress Towards Achievement
	Met target. Within acceptable variance.

2009 Report

The following is a summary of the results of the effort to maintain residual stand structure post harvest across the DFA as documented for 2008-09 A.O.P. blocks. The results are tabulated on a Forest Section basis.

Area Planners examine cutover photography during the compilation of Annual Cutover Records and Area Supervisors conduct field tallies in representative blocks of active operating areas to determine the presence and level of retention of residual structure.

All blocks that had harvesting take place, with the exception of a road right of way had a residual tree survey completed.

Nelson River Forest Section

There were no eligible blocks harvested in the Nelson River Forest Section during the 2008-2009 operating year nor during 2009; therefore, no information is included for this forest section.

No operations occurred in the Nelson River Forest Section during 2009; therefore, no field surveys were conducted.

Highrock Forest Section

Examination of Cutover photos revealed an estimated number of clump/patch retention ranging between 0 and 95. The mean for the Forest Section as a whole is 19.7 patches /block .

Field surveys produced an estimated range of standing trees between 40 and 45 standing trees /ha. The average for the Forest Section as a whole is 43 standing trees /ha. 5 blocks were surveyed of 5 eligible blocks = 100%.

Saskatchewan River Forest Section

Examination of Cutover photos revealed an estimated number of clump/patch retention ranging between 0 and 25. The mean for the Forest Section as a whole is 7.1 patches /block.

Field surveys produced an estimated range of standing trees between 15 and 174 standing trees /ha. The average for the Forest Section as a whole is 50.32 standing trees /ha. 22 blocks were surveyed of 22 eligible blocks = 100%.

Mountain Forest Section

Examination of Cutover photos revealed an estimated number of clump/patch retention ranging between 5 and 70. The mean for the Forest Section as a whole is 37.5 patches /block.

Field surveys produced an estimated range of standing trees between 14 and 28 standing trees /ha. The average for the Forest Section as a whole is 22.67 standing trees /ha. 3 blocks were surveyed of 3 eligible blocks = 100%.

Interlake Forest Section

There were no eligible blocks harvested in the Interlake Forest Section during the 2008-2009 operating year nor during 2009; therefore, no information is included for this forest section.

2009 Field Surveys

During 2009 operating year, 30 blocks were surveyed: 3 in Mountain, 22 in Saskatchewan River and 5 in Highrock Forest Section.

CCFM Criterion 1.0	Conservation of Biological Diversity
CSA SFM Element 1.3	Genetic Diversity Conserve genetic diversity by maintaining the variation of genes within species
FML Area No. 2 DFA Value 1.3.1	Maintain native tree species
Objective 1.3.1.1	Sustain genetic diversity through naturally occurring species which are well adapted to local conditions

Indicator 1.3.1.1.1	Target 1.3.1.1.1
Percentage of areas planted with stock from the same or approved government seed zone	100% of planted areas utilize stock from the same or approved seed zone
	Acceptable Variance: No areas are to be intentionally planted with stock from another seed zone unless pre-approved by Manitoba Conservation (MC)
	Progress Towards Achievement
	Met target No variance

2009 Report

Indicator 1.3.1.1.1: 100% of planted areas utilize stock from the same or approved seed zone.

For 2009 the tree plant contractor was supplied with a block renewal strategy for each planting block. This renewal strategy indicated the appropriate seed zone prominently in the header information to ensure the appropriate stock would be used. All boxes of trees were prominently marked with the seed zone to match with the renewal strategy. Seed zone compliance was discussed with the contractor at the opening meeting.

Following the tree plant season a review of each planting block report (seed zone summary 2009.xlsx) was done by the divisional forester to assess compliance with the indicator. Initially each report was checked to confirm that the contractor stated they had used the correct seed zone stock and all blocks were shown as planted with the correct seed zone. Following this a listing of all planted blocks including the seed lot used in 2009 was produced. The seed zone for each seed lot was determined based on information from the nursery and compared with the seed zone of the planting block, again all seed zones matched.

In 2010 all seed lots will have a color code indicating the seed zone which will be a visual indicator to workers. All workers will be trained to recognize the prescribed seed zone for each block.

Summary: all seed lots used in 2009 were planted within the seed zone of origin; the company is 100% in compliance with this indicator.

CCFM Criterion 1.0	Conservation of Biological Diversity
CSA SFM Element 1.4	Protected Areas and Sites of Special Biological Significance Respect protected areas identified through government processes. Identify sites of special biological significance within the DFA and implement management strategies appropriate to their long-term maintenance.
FML Area No. 2 DFA Value 1.4.1	Protect unique and important (for biological diversity) features
Objective 1.4.1.1	Plan and implement forestry operations to ensure the protection of unique and important (for biological diversity) features

Indicator 1.4.1.1.1	Target 1.4.1.1.1
Percentage of proposed harvest blocks subject to Pre-harvest Forest Investigation (PHFI) surveys	Target: 95% of harvest blocks will be subject to a PHFI survey prior to commencement of harvest. Acceptable Variance: Acceptable Variance: Blocks may be harvested without a PHFI if approved by the IRMT
	Progress Towards Achievement
	Met target No variance occurred

2009 Report

Thirty-one blocks were harvested during the 2009-10 operating year, of which 5 were contingency blocks and 8 were amended into the AOP. One block, TD-47, was surveyed under a previous block configuration and number (TD-46). 100% of the blocks were subjected to a PHFI survey prior to harvesting which satisfies the 95% target of the indicator.

CCFM Criterion 1.0	Conservation of Biological Diversity
CSA SFM Element 1.4	Protected Areas and Sites of Special Biological Significance Respect protected areas identified through government processes. Identify sites of special biological significance within the DFA and implement management strategies appropriate to their long-term maintenance.
FML Area No. 2 DFA Value 1.4.2	Large areas of forest minimally impacted by humans
Objective 1.4.2.1	Company to participate in the Manitoba Protected Areas and ASIs Initiative led by the Government and respect identified Protected Areas in the DFA

Indicator 1.4.2.1.1	Target 1.4.2.1.1 (A) - 2006
Protected Areas and ASIs recognized in forest management plans (FMP and AOP)	No harvesting proposed in recognized Protected Areas. Acceptable Variance: No variance in ensuring that harvesting plans are excluded from within recognized Protected Areas is acceptable.
	Target 1.4.2.1.1 (B) - 2006
	Any harvesting proposed for ASIs to require specific approval of AOP and/or work permits for the proposed harvest area from the IRMT. Acceptable Variance: No variance in ensuring that harvesting plans proposed for ASIs receive specific approval of the IRMT is acceptable.
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

The Protected Areas and the ASIs are treated separately in recognition of the difference in their status in terms of allowance for forest management activities in the Province of Manitoba. As such the indicator now has two separate targets with associated variances, Target (A) relating to protected areas, and Target (B) relating to ASI areas. Protected Areas will continue to have no planned harvesting allowed. ASI areas will have harvesting planned where approved under work permit from the government I.R.M.T. Harvesting in any ASI will only occur with AOP and/or work permit approval from the I.R.M.T.

All known ASI boundaries are provided by Manitoba Conservation and will be indicated on the AOP maps. The current Annual Operating Plan (AOP) maps show boundaries of all known protected areas and ASIs indicating Provincial Parks, Park Reserves, Ecological Reserves and proposed ecological reserves.

- (A) A review of the 2010/11 AOP indicated no harvest proposed in any recognized Protected Area.
- (B) A review of the 2008/09 cutover records indicated no harvesting occurred on any known ASI or protected area.

CCFM Criterion 2.0	Maintenance and Enhancement of Forest Ecosystem Condition and Productivity
CSA SFM Element 2.1	Forest Ecosystem Resilience Conserve ecosystem resilience by maintaining both ecosystem processes and ecosystem conditions
FML Area No. 2 DFA Value 2.1.1	Renewal of harvested areas
Objective 2.1.1.1	Renewal of harvested areas that result in similar stand conditions expected from natural disturbance

Indicator 2.1.1.1.1	Target 2.1.1.1.1
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements Acceptable Variance(2008): With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies, <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company's renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.
	Progress Towards Achievement
	On track to meet target.

2009 Report

There were no formal regeneration survey or free to grow surveys conducted in 2009. The silviculture forester conducted several aerial surveys to assess the possibility of determining block status from a low level aerial evaluation conducted during the leaf off stage. Fifty-eight blocks were surveyed aurally. Four blocks had been previously ground surveyed and were used for calibration. Of the remaining blocks, fifteen were classified as Free-to-grow, 17 as meeting the softwood regeneration standard, 15 required herbicide treatment. Eight couldn't be classified from the air and will be ground surveyed and 7 will be aurally surveyed in 2010.

Remedial action on blocks identified in prior reports as requiring treatment to meet standards:

2006 report: One block, MB-40 requires a herbicide treatment prior to fill planting. These treatments are scheduled. All remaining blocks meet the softwood regeneration standard.

2007 report: two blocks were identified in the 2007 report as needing treatment to meet the regeneration standard. Block TU-7 was fill planted to the required density in 2008 and block EA-1 was fill planted in 2009.

From initial aerial assessments done in 2008 six blocks were identified as requiring a traditional ground survey to identify current status. Four blocks, JO-64, JO-66, JO-67 and RL-21 (total area 495 ha) require a regeneration survey. These surveys were scheduled in WTS. Two blocks B24B and TM-25 (total area 199 ha) required a free to grow survey. The free-to-grow surveys were conducted in 2009. The Manitoba Silviculture Technical Committee is presently investigating procedures for implementing aerial surveys and Tolko is represented on the subcommittee.

CCFM Criterion 2.0	Maintenance and Enhancement of Forest Ecosystem Condition and Productivity
CSA SFM Element 2.2	Forest Ecosystem Productivity Conserve forest ecosystem productivity and productive capacity by maintaining ecosystem conditions that are capable of supporting naturally occurring species
FML Area No. 2 DFA Value 2.2.1	Maintain forest ecosystem productivity and productive capacity
Objective 2.2.1.1	Monitor how the characteristics of the forest change over time

Indicator 2.2.1.1.1	Target 2.2.1.1.1
Provision of information on insects and disease to MC for the DFA	Provide information annually to MC on insects and disease compiled from PHFI, Regeneration surveys and Free-to-Grow surveys Acceptable Variance: No variance from undertaking the insect/disease information compilation and communication to MC annually
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

In 2009 forms for the PHFI, Regeneration and Free-to-Grow (FTG) surveys included sections to record occurrences of significant insects and diseases as identified by Manitoba Conservation. In 2009 only PHFI surveys were undertaken. Contractor's personnel that performed this survey were trained in identification of these insects and diseases on August 15 and September 29, 2009. Manuals for all 3 surveys outline the methodology of recording occurrences of any of the relevant insects and diseases.

The data for the PHFI survey was compiled and submitted to MC eleven times during the 2009 field season.

In 2009 the Company continued trials of aerial surveys to determine regeneration and free-to-grow status. No significant forest health concerns requiring follow-up investigation were identified during that process. Several blocks were identified for further ground surveys to confirm block status and forest health data will be collected at that time.

CCFM Criterion 2.0	Maintenance and Enhancement of Forest Ecosystem Condition and Productivity
CSA SFM Element 2.2	Forest Ecosystem Productivity Conserve forest ecosystem productivity and productive capacity by maintaining ecosystem conditions that are capable of supporting naturally occurring species
FML Area No. 2 DFA Value 2.2.2	Protect current ecosystem conditions
Objective 2.2.2.1	Reduce forest productivity losses due to forest fires

Indicator 2.2.2.1.1	Target 2.2.2.1.1
Company caused forest fires	Limit individual accidental fire incidences to less than 2 hectares in size (productive forest land) Acceptable Variance: Some variance in individual fires may occur with no more than 50 hectares of productive forest land burned over a 5 year period (measured on a rolling 5-year basis)
	Progress Towards Achievement
	Met target. No variance occurred. 5 year average is 0 ha.

2009 Report

No fires resulted from contractor or Tolko operations in 2009 or in the preceding 4 years. The 5 year average is 0 ha.

There is no dedicated Tolko Initial Attack Fire Suppression Crew; however Area Supervisors and Forestry staff have all received either Initial Attack Crew or Crew Boss training. Field staff was on a standby status during periods of elevated risk to assist in coordinating the initial attack efforts of contractor employees should a fire threaten a Company operation.

All contractors hired by Tolko that are active during the wildfire season are required to comply with Tolko's Industrial Forest Operations Equipment Standard detailing minimum suppression requirements and participate in Forest Operation Modification Guidelines. These programs promote the availability of fire suppression hand tools, such as axes, shovels, mattocks back pack pumps and fire extinguishers. Specifications for self contained portable water resources supporting a consistent pressure pump and fire hose configuration that could be utilized to suppress wildfires regardless of reduced sources of water.

Communications both radio and phone must be available to provide dependable fire reporting capabilities. Contractor restrictions using the criteria of site hazard conditions and equipment risk levels under the F.O.M.G. system.

Tolko's Sustained Forest Management Certification program has commitments to reduce the number of fires and/or accidental spills resulting from forestry activities of its contractors and has a provision for Emergency Preparedness Testing as one of its components. A test was performed by staff who used truck based fire extinguishers to extinguish a barbeque fire. Staff response to the fire was satisfactory, however it was discovered that two of the fire extinguishers were not working. A subsequent memo was circulated to all staff to replace missing or discharged fire extinguishers.

CCFM Criterion 2.0	Maintenance and Enhancement of Forest Ecosystem Condition and Productivity
CSA SFM Element 2.2	Forest Ecosystem Productivity Conserve forest ecosystem productivity and productive capacity by maintaining ecosystem conditions that are capable of supporting naturally occurring species
FML Area No. 2 DFA Value 2.2.2	Protect current ecosystem conditions
Objective 2.2.2.2	Reduce forest productivity losses due to dwarf mistletoe infestations

Indicator 2.2.2.2.1	Target 2.2.2.2.1
Re-curing mistletoe infections in regenerating stands	Prevent re-infection of regenerating jack pine stands to achieve Free-to-Grow certification status Acceptable Variance: No variance from all regenerating jack pine stands achieving Free-to-Grow certification status
	Progress Towards Achievement
	Met target. Within acceptable variance

2009 Report

Mistletoe was observed in several blocks during field inspections or during the PHFI survey and appropriate treatments were prescribed where possible.

Several salvage blocks were harvested in the Barril lake area with some DM on pine observed during harvest primarily on burned (dead) trees. These trees did not present a risk of re-infection but the renewal strategy for the scarification contractor included request to knock down green pine in the block adjacent to these areas. DM was noted on pine in some of the TM blocks during the winter harvest. The renewal strategy for the scarification contractor also prescribed knocking down live pine in the harvest boundary. Since the scarification contractor was also the harvest contractor in these blocks the operators had good understanding of where the mistletoe originally was.

Block EA-1 was scheduled for fill planting in 2009. Block inspection revealed mistletoe infected pine outside the block boundary. As a result fill planting was planned with black spruce which is resistant to lodgepole pine dwarf mistletoe. Similarly block OL-43 had mistletoe noted in the original stand. This was treated with anchor chaining in 2008 to reduce the green pine in the block boundary and the block was converted to black spruce leading through planting of black spruce seedlings in 2009. An assessment of the block in 2009 indicated that the chaining had been successful in reducing the live pine residuals in the harvest block and no further treatment was required.

During harvest in block RP-3 eastern dwarf mistletoe on spruce was observed in parts of the block. During a joint assessment with staff of MC Western Region office it was decided to attempt to remove as much live spruce from these parts of the block as possible during harvest by felling or skidding over the residual trees. Heavy concentrations of mistletoe occurred outside the merchantable portions of the block so total eradication was not possible but attempts were made to limit spread back into the productive landbase.

During harvest DM on pine was observed in the leave area adjacent to blockTM-209. A request was made to MC to amend the work permit to allow for salvage of this timber but was not approved during the period the block was being harvested. Sanitation within the block boundary was prescribed for scarification during the next treatment season.

For planning purposes it is expected that only blocks with high levels of mistletoe in the original composition will require initial treatments. Treatments will be scheduled if significant mistletoe is observed during harvesting or follow up surveys.

The company is in 100% compliance with this indicator.

CCFM Criterion 3.0	Conservation of Soil and Water Resources
CSA SFM Element 3.1	Soil Quality and Quantity Conserve soil resources by maintaining soil quality and quantity
FML Area No. 2 DFA Value 3.1.1	Healthy soils that will sustain forest-related ecosystems
Objective 3.1.1.1	Maintain soil productive ability, extent and variety

Indicator 3.1.1.1.1	Target 3.1.1.1.1 (A)-2006
Extent and duration of in-block seasonal roads and landings	Limit extent of in-block roads and bulldozed landings and campsites to less than 8% of total harvested area each year Acceptable Variance: No variance from the target of less than 10% of total harvested area to be occupied by in-block roads and bulldozed landings and campsites on a forest section and DFA basis. Variation on an individual cutblock basis is expected to occur, particularly related to the placement of any campsites within a given cutblock area.
	Progress Towards Achievement
	Met target. Within acceptable variance.
	Target 3.1.1.1.1 (B)
	Reduce duration of in-block roads and bulldozed landings and campsites by addressing these areas within the renewal implementation program for each cutblock Acceptable Variance: No variance from inclusion of landings and seasonal in-block roads for renewal activities and regeneration success assessment within cutblock. Regeneration of any given in-block road may vary, however, all such areas will be included within applicable cutblocks for determination of block renewal success.
	Progress Towards Achievement
	Met target. Within acceptable variance.

2009 Report

Target 3.1.1.1.1 (A):

The basis of this target is to minimize the effects of soil disturbance associated with timber harvesting. Reporting for this indicator is based on the previous operating year. For the 2009 report activities occurred between June 1, 2008 to May 31, 2009. The target was recently reduced from 10% to 8%. The results are included in table below.

	<u>2008/09</u>	<u>2007/08</u>	<u>2006/07</u>	<u>2005/06</u>	<u>2004/05</u>	<u>2003</u>
Nelson River	N/A	3.26%	3.01%	3.07%	2.80%	3.24%
Highrock	3.40%	2.85%	3.01%	2.78%	3.99%	3.64%
Saskatchewan River	1.86%	2.08%	2.89%	2.14%	2.28%	2.20%
Interlake	N/A	N/A	N/A	N/A	2.28%	2.20%
Mountain	2.49%	N/A	2.04%	1.80%	N/A	N/A
FML Average	2.50%	2.72%	2.95%	2.67%	3.02%	3.03%

Target 3.1.1.1.1 (B)

A block renewal strategy is prepared by the Silviculture Forester for harvest blocks prior to silviculture treatment. This strategy generally includes the treatment for in block roads and landings and is discussed with the contractors prior to starting the treatment. Standard operating practice for the tree plant contractor is to plant roads and landings of blocks where possible unless directed otherwise. Generally all winter harvest blocks have plantable microsite on the roads, however most blocks cut in the frost free months are bladed to mineral soil and then compacted by traffic too badly to plant. In this case typical practice is to plant as tight to the edge of the roadway as possible. In cases where the in block road is expected to be used in subsequent years it is left unplanted although side roads may be planted as directed.

Roadside debris is generally pushed into piles for subsequent burning following snow fall. Burning would scorch planted seedlings adjacent to the piles. If the majority of the block is planted before all the debris disposal is done then a buffer is left around the debris for planting following disposal. If the piles are burned the pile area, buffer and often the road can be planted.

All planting blocks planted in 2009 had a renewal prescription which specifically addressed the potential to plant the roads. The contractor was instructed to prepare a report indicating what was done with roads and landings.

The 2009 tree plant report was summarized to determine how many blocks had roads planted. Of 53 blocks planted 36 reported roads were planted to the extent possible (where planting microsite existed). 14 were not planted and 3 did not have road planting recorded. Of the 17 blocks that were not planted or did not have the planting status recorded, 4 were prescribed to not plant the roads due to future requirements and 4 were prescribed for no planting due to compaction. 11 blocks scarified for natural regeneration were prescribed to chain across the roads. Where blocks were scarified for future planting the roads were left for access.

CCFM Criterion 3.0	Conservation of Soil and Water Resources
CSA SFM Element 3.1	Soil Quality and Quantity Conserve soil resources by maintaining soil quality and quantity
FML Area No. 2 DFA Value 3.1.1	Healthy soils that will sustain forest-related ecosystems
Objective 3.1.1.1	Maintain soil productive ability, extent and variety

Indicator 3.1.1.1.2	Target 3.1.1.1.2
Adherence to work permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values, and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides	No major non-compliances with government work permit conditions for Tolko and contractor operations (major non-compliances are those that result in issuing of a “Summary Procedure” or an “Indictment Notification” by MC) Acceptable Variance: No variance from the target of no major non-compliances related to work permit conditions is acceptable. There may be some instances where minor non-compliances may occur and be documented for follow-up action within the EMS or through communication from MC via the MC Timber Harvest Inspection Report.
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

Through a process of Contractor Orientation Records, Project Tailgate Meetings, and Operations Inspections the Company ensures that contractors comply with government work permits and Tolko Standard Operating Procedures.

In 2009 there were no major non-compliances. Two minor non-compliances occurred, 1 trespass and one oil spill both in DO-208. In addition there were four less than 50 litre spills reported to the company.

These incidences have been summarized in Appendix II – Summary of Environmental Incidents in 2009.

CCFM Criterion 3.0	Conservation of Soil and Water Resources
CSA SFM Element 3.1	Soil Quality and Quantity Conserve soil resources by maintaining soil quality and quantity
FML Area No. 2 DFA Value 3.1.1	Healthy soils that will sustain forest-related ecosystems
Objective 3.1.1.1	Maintain soil productive ability, extent and variety

Indicator 3.1.1.1.3	Target 3.1.1.1.3
Amount of area in all-weather roads (Categories 1 and 2) in place at any given time	Total amount of Company Category 1 and 2 all-weather roadbed across the DFA not to exceed half of one percent (0.5%) of the total productive forest landbase Acceptable Variance: No variance is acceptable in limiting Company all-weather roadbed to not exceed half of one percent (0.5%)
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

This indicator is a measure of Tolko’s CSA-SFM objective to maintain the viability, extent, and variety of productive soils across Tolko’s DFA.

New infra structure development is balanced against the decommissioning of all-weather road networks no longer required to support forestry activities.

The current measure of all-weather roads existing on the FMLA has been documented into Tolko’s Road Ledger. This dynamic inventory will serve to measure and report on the status of this indicator.

Annual cutover photography will be used to modify and verify the existing infrastructure inventory through new construction additions or decommissioned road deletions.

Monitoring of the status of the Roads Ledger will be via Tolko’s GIS departments’ Woodlands The System (WTS).

The specifications for the class of road included in the inventory allows for a design width of 5 to 7 meters which could potentially produce a footprint of up to 9 meters. The base line inventory survey of Class I and II roads for CSA-SFM reporting purposes is divided into either “Active” or “Decommissioned” (1). Active roads will include all applicable roads that do not have “Decommissioned” documentation on file.

The length of a given road multiplied by the given constant of a 9m width of the road produces an area expressed in hectares. The area occupied by all-weather road infrastructures is factored against the total productive forest land area of 3,722,608 ha. for Tolko’s DFA to monitor Tolko’s commitment to not exceed 0.05% of that area (2).

2009 closed or reclassified a number of older roads. The following figures are current for the period ending December 31, 2009. The total length ending December 31, 2009 categorized, in Tolko’s Road Ledger, as Active Roads is 791.35 km. which occupy an area of approximately

741.92 ha² of productive forest land base. The Active roads category is inclusive of roads currently categorized as interim decommissioned (48.70km.) which occupy approximately 43.83 ha² of the total area of 741.92 ha².

Using a 9 meter footprint criteria, for all active roads the total area occupied by Tolko's Active all-weather road infrastructure (current to December 31, 2009) is approximately 0.0211 % of the productive forest land base.

- (1.) After initially being closed, roads enter a maximum 2-year status of interim decommissioning. At the two year anniversary providing all permit conditions are satisfactory the province will issue documentation advising that the road is no longer a Tolko responsibility. The road will be considered at that time to be fully decommissioned, removed from Active status in Tolko's Road ledger file and no longer be included as part of the annual examination of Tolko Roads and drainage structures.
- (2.) The baseline inventory is inclusive of all Class I and II roads built since the various predecessors of Tolko have operated. Some of these roads have been abandoned to regular use for periods exceeding twenty years. As such, many have regenerated naturally and the non vegetated area is significantly reduced relative to a road being maintained or traveled more frequently. With the overgrown condition of these older roads availability for typical road vehicle travel has been eliminated or severely restricted. Their unobstructed width is considerably less (in some cases the effective width was only 1-1.5 meters wide sufficient only for quad or snowmachine-type ATV access). Notwithstanding the above, until any Class I and II forestry road is officially reviewed and documented as decommissioned with the province the area it occupies, as having an "Active Road" status will be calculated as having a minimum width of 9 meters. The resultant area will be included in calculating the total area of forested land base occupied by road infrastructure compared to the maximum allowable limit of 0.05 % of the DFA forested land base area.

CCFM Criterion 3.0	Conservation of Soil and Water Resources
CSA SFM Element 3.1	Soil Quality and Quantity Conserve soil resources by maintaining soil quality and quantity
FML Area No. 2 DFA Value 3.1.1	Healthy soils that will sustain forest-related ecosystems
Objective 3.1.1.1	Maintain soil productive ability, extent and variety

Indicator 3.1.1.1.4	Target 3.1.1.1.4
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements Acceptable Variance(2008): With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies, <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company's renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.
	Progress Towards Achievement
	On track to meet target

2009 Report

There were no formal regeneration survey or free to grow surveys conducted in 2009. The silviculture forester conducted several aerial surveys to assess the possibility of determining block status from a low level aerial evaluation conducted during the leaf off stage. Fifty-eight blocks were surveyed aurally. Four blocks had been previously ground surveyed and were used for calibration. Of the remaining blocks, fifteen were classified as Free-to-grow, 17 as meeting the softwood regeneration standard, 15 required herbicide treatment. Eight couldn't be classified from the air and will be ground surveyed and 7 will be aurally surveyed in 2010.

Remedial action on blocks identified in prior reports as requiring treatment to meet standards:

2006 report: One block, MB-40 requires a herbicide treatment prior to fill planting. These treatments are scheduled. All remaining blocks meet the softwood regeneration standard.

2007 report: two blocks were identified in the 2007 report as needing treatment to meet the regeneration standard. Block TU-7 was fill planted to the required density in 2008 and block EA-1 was fill planted in 2009.

From initial aerial assessments done in 2008 six blocks were identified as requiring a traditional ground survey to identify current status. Four blocks, JO-64, JO-66, JO-67 and RL-21 (total area 495 ha) require a regeneration survey. These surveys were scheduled in WTS. Two blocks B24B and TM-25 (total area 199 ha) required a free to grow survey. The free-to-grow surveys were conducted in 2009. The Manitoba Silviculture Technical Committee is presently investigating procedures for implementing aerial surveys and Tolko is represented on the subcommittee.

CCFM Criterion 3.0	Conservation of Soil and Water Resources
CSA SFM Element 3.1	Soil Quality and Quantity Conserve soil resources by maintaining soil quality and quantity
FML Area No. 2 DFA Value 3.1.1	Healthy soils that will sustain forest-related ecosystems
Objective 3.1.1.1	Maintain soil productive ability, extent and variety

Indicator 3.1.1.1.5	Target 3.1.1.1.5
Amount and distribution of coarse woody debris	2006 Target: Implement a research project to assess and document levels of coarse woody debris retention for various cover types, season of harvest and logging systems on 15 blocks annually on the DFA Acceptable Variance: No variance in conducting the research project for the DFA. No targets are set for woody debris levels for the DFA at this time, and as such no variances for coarse woody debris levels are applicable at this time.
	Progress Towards Achievement
	Meet target Within acceptable variance

2009 Report

Indicator 3.1.1.1.5 is one of those for which modifications to the management strategies, implementation process and/or monitoring and reporting process have been instituted as per the separate 2006 amendment document to the SFM Plan for the DFA. Through findings and discussions that have occurred on this topic thus far it is felt that the season of harvest should be added as a stratification to be applied to the study for the DFA. In addition, the target has been refined to assess 15 blocks per year in the study.

In 2009, the Company completed coarse woody debris surveys in 19 harvest blocks; 12 in Saskatchewan River Forest Section, and 7 in Highrock.

To date, sampling includes 23 blocks that were delimbed at the stump, 45 that were delimbed at roadside and 7 delimbed as a combination of at the stump and roadside. Volume for the “at the stump” delimiting blocks ranged from 32 to 110 m³ per hectare with an average of 65 m³ per hectare and volumes for the roadside delimiting blocks ranged from 25 to 111 m³ per hectare with an average of 64 m³ per hectare. Volumes for the combination delimiting blocks ranged from 32 to 83 m³ per hectare with an average of 52 m³ per hectare.

See Appendix III for a summary of the survey results.

CCFM Criterion 3.0	Conservation of Soil and Water Resources
CSA SFM Element 3.2	Water Quality and Quantity Conserve water resources by maintaining soil quality and quantity
FML Area No. 2 DFA Value 3.2.1	Healthy watersheds
Objective 3.2.1.1	Maintain water quality and quantity as a result of woodlands operations

Indicator 3.2.1.1.1	Target 3.2.1.1.1
Adherence to work permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values, and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides	No major non-compliances with government work permit conditions for Tolko and contractor operations (major non-compliances are those that result in issuing of a “Summary Procedure” or an “Indictment Notification” by MC) Acceptable Variance: No variance from the target of no major non-compliances related to work permit conditions is acceptable. There may be some instances where minor non-compliances may occur and be documented for follow-up action within the EMS or through communication of from MC via the MC Timber Harvest Inspection Report.
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

Through a process of Contractor Orientation Records, Project Tailgate Meetings, and Operations Inspections the Company ensures that contractors comply with government work permits and Tolko Standard Operating Procedures.

In 2009 there were no major non-compliances. Two minor non-compliances occurred, 1 trespass and 1 oil spill both in harvest block DO-208. In addition there were four less than 50 liter spills reported to the company.

These incidences have been summarized in Appendix II – Summary of Environmental Incidents in 2009.

CCFM Criterion 3.0	Conservation of Soil and Water Resources
CSA SFM Element 3.2	Water Quality and Quantity Conserve water resources by maintaining soil quality and quantity
FML Area No. 2 DFA Value 3.2.1	Healthy watersheds
Objective 3.2.1.1	Maintain water quality and quantity as a result of woodlands operations

Indicator 3.2.1.1.2	Target 3.2.1.1.2
Condition of stream crossings and roadways in terms of erosion control	Construct and maintain stream crossings and roadways in a condition that prevents siltation and blockage that results in serious impacts to water quality of rivers, streams and headwaters
	Acceptable Variance: No variance in maintenance of crossings or roadways to prevent siltation and blockage that results in serious impacts to commercial or recreational fish-bearing watercourses
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

This indicator is a measure of Tolko's objective of maintaining similar water quality pre and post woodlands operations.

This indicator measures the results achieved during the construction and maintenance of roads and water course crossings. Efforts to minimize erosion, alluviation, or flooding impacts will avoid serious detrimental damage to water quality on the DFA. Tolko has developed a Road Inventory and Inspection Program, which will allow for due diligence and monitoring of the conditions present in Tolko's road, drainage, and stream crossing infrastructure.

A survey is completed a minimum of annually across the DFA for all applicable roads culverts and bridges.

The inspection protocol provides for road surveys by any Tolko staff as they travel the roads during the normal course of their activities. The purpose of the survey is to prevent, minimize or eliminate potential or actual negative impacts in the areas of fish/fish habitat, safety for all road users and other detrimental impacts on water or soil quantity/quality as committed to under Tolko's EMS and CSA-Sustained Forest Management certifications. All incidents are documented under the Road Inventory Program.

An individual file has been established for each road and all surveys or activities completed under any CAP or maintenance projects to correct deficiencies documented during any inspections are filed in one central location in The Pas Woodlands Division.

Annual Contractor Orientation meetings will communicate Tolko's expectations for adherence to work permit and Standard Operating Procedures (SOP's) regarding construction of roads and crossings.

Project Tailgate forms will document the review/discussions on each specific project re permit conditions, SOP implementation, and applicable guidelines.

Ongoing discussion and inspections (Operations Inspection Form) will monitor contractor progress in meeting requirements and objectives.

In 2009 the Road Inspection Program documented conditions on 43 individual road networks across the DFA.

Routine maintenance typically required on major roads in constant use is ongoing and is not necessarily documented as a unique event under the Roads Inventory Program.

CCFM Criterion 3.0	Conservation of Soil and Water Resources
CSA SFM Element 3.2	Water Quality and Quantity Conserve water resources by maintaining soil quality and quantity
FML Area No. 2 DFA Value 3.2.1	Healthy watersheds
Objective 3.2.1.2	Work towards an understanding of watershed health impacts/influences of forest operations

Indicator 3.2.1.2.1	Target 3.2.1.2.1
Reporting on evolution of watersheds research specific to forestry planning and operations	Report on research annually Acceptable Variance: No variance in conducting research project for the DFA. No targets are set for forest management at the watersheds level for the DFA at this time, and as such, no variances are applicable at present.
	Progress Towards Achievement
	Did not meet target. No variance occurred.

2009 Report

In 2009, a web presentation was viewed by a staff member. Presentation by Kevin Bladon PhD. on Wildfire Effects On Water Quality. Summary of relationships between fire effects on head waters and downstream systems. Discussions around data collected in a five year study from a base watershed (unburned) a burned watershed & a post burned salvage watershed. Particularly interesting results re erosion /sediment effects due to increased snowpack from less interception because understory & trees are absent. Increased snowpack combined with a quick melt potentially provides more flow, more flow may equal more erosion which may equal more sediment which may equal more impact to water systems. Also, there is potential impact from increased water flow from decreased soil absorbency from soil pores plugged by fire ash. Increased levels of heavy metals released into streams from disturbed soils.

The summary report for this indicator was not completed for 2009, because the SFMN is undertaking a literature review. This literature review was not published in 2009.

CCFM Criterion 4.0	Forest Ecosystem Contributions to Global Ecological Cycles
CSA SFM Element 4.1	Carbon Uptake and Storage Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems
FML Area No. 2 DFA Value 4.1.1	Healthy forest making a positive contribution to global carbon balance
Objective 4.1.1.1	Increase carbon storage

Indicator 4.1.1.1.1	Target 4.1.1.1.1 (A)
Amount of area in all-weather roads (Categories 1 & 2) in place at any given time	Over the next 5 years the Company will decommission 150 kilometres of older logging roads no longer required to reduce backlog road area to allow re-vegetation Acceptable Variance: Variance from the target of 150 kilometres over a 5 year period may occur dependant upon availability of old roads for decommissioning once other resource and public uses are considered and MC approval is obtained
	Progress Towards Achievement
	On track to meet 5 year target. Within acceptable variance.
	Target 4.1.1.1.1 (B)
	Total amount of Company Category 1 and 2 all-weather roadbed across the DFA not to exceed half of one percent (0.5%) of the total productive forest landbase Acceptable Variance: No variance is acceptable in limiting Company all-weather roadbed to not exceed half of one percent (0.5%)
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

This indicator is a measure of Tolko's CSA-SFM objective to increase carbon storage. As part of Tolko's CSA-SFM plan a commitment to decommissioning (during the period 2005-2009) 150 km of old road network so that the area they occupied may return to a status of productive forest land base Target (A).

Concurrently new infrastructure development will be balanced with reductions by decommissioning roads no longer required for active forestry purposes. This balance will maximize the extent of Tolko's Active road network (categories I and II) to not exceed 0.05% of the productive forest land base –Target (B).

The current measure of all-weather roads existing on the FMLA has been documented into Tolko's Road Ledger. This dynamic inventory will serve to measure and report on the status of this indicator.

Annual cutover photography will be used to monitor and verify the status of Tolko's existing infrastructure inventory. Cutover photos can reveal new construction additions; or decommissioned road deletions. Monitoring of the status of the Roads Ledger will be via Tolko's GIS departments' Woodlands The System (WTS).

The percentage of productive forest land base occupied by all-weather roads is calculated by dividing the area occupied by the active roads (as listed in Tolko's Road Ledger) by the total area of productive forested land (3,722,608 ha) of the DFA.

TARGET (A) In previous Annual Report years although some Class I and II forestry roads had been reclaimed, due to the protocol for decommissioning roads committed to with Manitoba Conservation, the roads remained in a two year interim decommissioning classification stage. While classed as interim decommissioned they are considered as still active roads and are calculated into the occupied forested land base. For the year ending December 31, 2009 the total lengths listed, in each of Tolko's Road Ledger categories, as Active is 791.35 km which includes 48.7 km of Interim Decommissioned. Eighteen kilometers were closed in 2009 and added to the interim decommissioned. The total length to date of roads confirmed by MC as decommissioned is 280.6 km.

Indicator 4.1.1.1 (A) has been exceeded prior to the expiry of the 5 year target date.

TARGET (B) The current total area occupied by Tolko's all-weather active road infrastructure including interim decommissioned status roads consists of is 0.0211 % of the productive forest land base.

There were 8 kilometers of class II all-weather road that was built in 2009 which is included.

CCFM Criterion 4.0	Forest Ecosystems Contributions to Global Ecological Cycles
CSA SFM Element 4.1	Carbon Uptake and Storage Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems
FML Area No. 2 DFA Value 4.1.1	Healthy forest making a positive contribution to global carbon balance
Objective 4.1.1.1	Increase carbon storage

Indicator 4.1.1.1.2	Target 4.1.1.1.2
Harvest blocks are regenerated as soon as possible	100% of all harvest blocks, for which the Company has renewal responsibility, receive a forest renewal treatment within 3 years of harvest Acceptable Variance: Minor variances may occur in scheduling of initial renewal treatments for small areas to be combined for treatment or for areas with limited access. No areas will be left beyond 5 years without receiving initial prescribed treatment.
	Progress Towards Achievement
	Met target No variance.

2009 Report

Following the 2008 tree plant the silviculture forester reviewed the renewal status of all blocks harvested on the FMLA in 2006 to determine which blocks still required silviculture treatment, and ensured that they were scheduled for priority treatment in the 2009 season.

Following the 2009 silviculture season all treatments were actualized in WTS. The harvest activities by FMU report generator in WTS was used to list all the harvest blocks cut by Tolko in 2006, this was exported to a excel spreadsheet. All blocks on this spreadsheet were reviewed to identify any blocks that Tolko did not have renewal responsibility for. There were 17 such blocks. These included one right-of-way that does not need to be reforested, seven blocks outside the FML that are MC's renewal responsibility, three blocks harvested by quota holders in Saskatchewan River that MC retains renewal responsibility on and three hardwood quota blocks in Saskatchewan River which are MC's responsibility.

The remaining 75 blocks are Tolko responsibility to renew. The status of each block was reviewed in WTS and the year that basic silviculture was completed was entered in the table for scarification for natural regeneration or planting. All blocks had a treatment.

The company is 100% in compliance with this indicator and all blocks received initial silviculture treatment within 3 years.

CCFM Criterion 4.0	Forest Ecosystems Contributions to Global Ecological Cycles
CSA SFM Element 4.1	Carbon Uptake and Storage Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems
FML Area No. 2 DFA Value 4.1.1	Healthy forest making a positive contribution to global carbon balance
Objective 4.1.1.1	Increase carbon storage

Indicator 4.1.1.1.3	Target 4.1.1.1.3
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements Acceptable Variance (2008): With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies, <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company's renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.
	Progress Towards Achievement
	On track to met target

2009 Report

There were no formal regeneration survey or free to grow surveys conducted in 2009. The silviculture forester conducted several aerial surveys to assess the possibility of determining block status from a low level aerial evaluation conducted during the leaf off stage. Fifty-eight blocks were surveyed aurally. Four blocks had been previously ground surveyed and were used for calibration. Of the remaining blocks, fifteen were classified as Free-to-grow, 17 as meeting the softwood regeneration standard, 15 required herbicide treatment. Eight couldn't be classified from the air and will be ground surveyed and 7 will be aurally surveyed in 2010.

Remedial action on blocks identified in prior reports as requiring treatment to meet standards:

2006 report: One block, MB-40 requires a herbicide treatment prior to fill planting. These treatments are scheduled. All remaining blocks meet the softwood regeneration standard.

2007 report: two blocks were identified in the 2007 report as needing treatment to meet the regeneration standard. Block TU-7 was fill planted to the required density in 2008 and block EA-1 was fill planted in 2009.

From initial aerial assessments done in 2008 six blocks were identified as requiring a traditional ground survey to identify current status. Four blocks, JO-64, JO-66, JO-67 and RL-21 (total area 495 ha) require a regeneration survey. These surveys were scheduled in WTS. Two blocks B24B and TM-25 (total area 199 ha) required a free to grow survey. The free-to-grow surveys were conducted in 2009. The Manitoba Silviculture Technical Committee is presently investigating procedures for implementing aerial surveys and Tolko is represented on the subcommittee.

CCFM Criterion 4.0	Forest Ecosystems Contributions to Global Ecological Cycles
CSA SFM Element 4.1	Carbon Uptake and Storage Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems
FML Area No. 2 DFA Value 4.1.2	Reduce the use of fossil fuels
Objective 4.1.2.1	Minimize the amount of greenhouse gases produced to transport wood to the mills

Indicator 4.1.2.1.1	Target 4.1.2.1.1 (2008)
Percentage of wood hauled by truck versus train	30% of the sawlogs required by The Pas mills from the DFA will be transported by train provided that rail opportunities are in place (averaged for the previous 5 year period) Acceptable Variance: No variance in the percentage of sawlogs to be delivered by train is acceptable provided that sufficient rail opportunities are retained in place across the DFA to offer this haul option from areas being operated in the DFA (averaged for the previous 5 year period)
	Progress Towards Achievement
	Met Target No variance

2009 Report

In 2000 Tolko Industries began a capital investment program to construct several rail spurs to reduce the amount of wood delivered to the sawmill in The Pas by truck and reduce delivered log costs. Presently the Company has rail spurs at Pipun, Jungle Lake, Massan and Radar that are operated year round to deliver wood to The Pas. This indicator outlines that 30% of the sawlogs required by The Pas mills from the DFA will be transported by train provided that rail opportunities are in place.

The average sawlog delivery via rail for 5 years is 41.93%. Detailed figures for the 5 years are provided below:

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	Average of last 5 years
Sawlogs Delivered from DFA	902,172.67	507,530.78	587,105.03	370,516.73	477,872.59	569,039.56
Total Sawlogs Delivered by Rail	337,548.47	251,562.74	220,260.86	156,564.40	143,468.94	221,881.08
Percentage of Sawlogs Delivered by Rail	37.42%	49.57%	37.52%	42.26%	42.90%	41.93%

This indicator was revised in 2008.

CCFM Criterion 4.0	Forest Ecosystems Contributions to Global Ecological Cycles
CSA SFM Element 4.1	Carbon Uptake and Storage Maintain the processes that take carbon from the atmosphere and store it in forest ecosystems
FML Area No. 2 DFA Value 4.1.2	Reduce the use of fossil fuels
Objective 4.1.2.1	Minimize the amount of greenhouse gases produced to transport wood to the mills

Indicator 4.1.2.1.2	Target 4.1.2.1.2
Level of awareness of Woodlands staff of effects of unnecessary vehicle idling	Increase level of awareness of Woodlands staff of the importance of reducing unnecessary vehicle idling Acceptable Variance: No variance in undertaking steps to increase the level of awareness of Woodlands staff of the importance of reducing unnecessary vehicle idling
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

During 2009, the following action was undertaken to increase the level of awareness of Woodlands staff of the importance of reducing unnecessary vehicle idling:

- An information factsheet was given to Woodlands staff September 9, 2009
- A quiz was given to staff October 1, 2009

CCFM Criterion 4.0	Forest Ecosystem Contributions to Global Ecological Cycles
CSA SFM Element 4.2	Forest Land Conversion Protect forestlands from deforestation or conversion to non-forests
FML Area No. 2 DFA Value 4.2.1	Maintain the forested area of the DFA
Objective 4.2.1.1	Minimize the conversion of Crown forested to non-forested land

Indicator 4.2.1.1.1	Target 4.2.1.1.1
Amount of area in all-weather roads (Categories 1 & 2) in place at any given time	Total amount of Company Category 1 and 2 all-weather roadbed across the DFA not to exceed half of one percent (0.5%) of the total productive forest landbase Acceptable Variance: No variance is acceptable in limiting Company all-weather roadbed to not exceed half of one percent (0.5%)
	Progress Towards Achievement
	Met target.
	No variance occurred.

2009 Report

This indicator is a measure of Tolko’s CSA-SFM objective to minimize deforestation or the conversion of Crown forested land to non-forested land.

New infrastructure development will be balanced with reductions from decommissioning roads no longer required for active forestry purposes. This balance will limit the extent of Tolko’s Active road network (Categories I and II) to not exceed 0.05% of the productive forest land base across the DFA.

The baseline measure of all-weather roads existing on the FMLA has been documented into Tolko’s Road Ledger. Annual additions and deletions to the net road areas are also documented.

This inventory will be monitored through Tolko’s GIS departments “Woodlands The System” (WTS). This summary report on the status of this indicator is submitted as part of the SFM Annual Report. A complete detailed copy of the Active Roads Ledger spreadsheet which tracks the status and evolution of Tolko’s forestry road inventory is posted on the Tolko CSA/SFM web site.

2009 Activity

Construction:

No all weather Class I and II roads were built in 2009
Nelson River Forest Section: No all-weather road construction
Saskatchewan River Forest Section: No all-weather road construction
Highrock Forest Section: No all-weather road construction
Mountain Forest Section: No all-weather road construction
Interlake Forest Section: No all-weather road construction

Decommissioning:

In 2009, 18 km of Class I and II roads were closed and are categorized internally by Tolko as Interim decommissioned (initial closure may span 2005 through 2009).*

To date a total of 280.6 km of Class I & II road have been reclassified as decommissioned/closed ending December 31, 2009.

Tolko Active Roads Ledger Summary

As of December 31, 2009 total length of active Tolko class I and II all-weather road infrastructure is 787.35 km* *occupying a forested land base area of 741.92 ha Class I and II roads verified to date by Manitoba Conservation as decommissioned stands at 280.6 km. Road and drainage infrastructure decommissioning to date has returned approximately 252.54 ha of potentially productive area to the forested land base.

As of year end the DFA's productive forest land base occupied by Tolko Class I and II road infrastructures is approximately 0.0211% of the total FML productive forest land base.

*Due to the protocol for decommissioning roads agreed to in principle between Regional Manitoba Conservation managers and Tolko a Class I and II road closed by Tolko can hold an Interim Decommissioned designation for up to a two year period immediately following the closure project. If at the end of the 2-year interim period the permit conditions required on the authorizing work permits are functioning as intended Manitoba Conservation will issue documentation acknowledging that the former road is now "decommissioned" or "closed". Tolko would cease all activities associated with access control or road maintenance including the annual inspection as part of the annual roads inventory survey for any such decommissioned/closed road. The roads status in the Tolko Roads Inventory Ledger would evolve from "Active" which is inclusive of "Interim Decommissioned" to Decommissioned". Some former Tolko forestry roads may also be assumed by Manitoba for designation as a resource road. In this case documentation would provide for immediate release of responsibility for the designated resource road.

** Total includes 48.7 km of roads that have been interim decommissioned - i.e. not available for normal vehicular traffic which encourages natural return to vegetated conditions but not acknowledged by Manitoba Conservation as decommissioned or closed until the 2nd anniversary of the interim decommissioning.

CCFM Criterion 4.0	Forest Ecosystem Contributions to Global Ecological Cycles
CSA SFM Element 4.2	Forest Land Conversion Protect forestlands from deforestation or conversion to non-forests
FML Area No. 2 DFA Value 4.2.1	Maintain the forested area of the DFA
Objective 4.2.1.1	Minimize the conversion of Crown forested to non-forested land

Indicator 4.2.1.1.2	Target 4.2.1.1.2
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements Acceptable Variance (2008): With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies, <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company's renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.
	Progress Towards Achievement
	On track to meet target.

2009 Report

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CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.1	Timber and Non-timber Benefits Manage the forest sustainability to produce an acceptable and feasible mix of both timber and non-timber benefits
FML Area No. 2 DFA Value 5.1.1	To supply industrial wood needs, while maintaining forest ecosystems sustainability
Objective 5.1.1.1	To provide a continuous, predicable and sustainable supply of timber consistent with existing wood supply commitments

Indicator 5.1.1.1.1	Target 5.1.1.1.1
Harvest levels in cubic metres as compared to the AAC	Harvest levels to remain within Government approved AAC
	Acceptable Variance: No variance in harvest levels outside of MC approved AAC levels based upon 5-year cut control periods is acceptable. Variation in any given year may occur. MC approved AAC levels may include accommodation of underutilized AAC from the previous period.
	Progress Towards Achievement
	Met target. Within acceptable variance.

2009 Report

Annual Allowable Cut:

- The 5-year cut control volume was not exceeded in any FMUs during the 2009-10 operating year (June 1, 2009 to May 31, 2010). Three AACs were exceeded in 2009-10 (FMU 12, 55 and 56). Manitoba Conservation approval letters are on file for FMUs 12, 55 and 56.

CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.1	Timber and Non-timber Benefits Manage the forest sustainability to produce an acceptable and feasible mix of both timber and non-timber benefits
FML Area No. 2 DFA Value 5.1.1	To supply industrial wood needs, while maintaining forest ecosystems sustainability
Objective 5.1.1.2	Minimize impacts upon non-timber ecosystem values

Indicator 5.1.1.2.1	Target 5.1.1.2.1
Adherence to work permit conditions and Tolko SOPs guiding Tolko and contractor forestry operations on the DFA including those pertaining to rutting, protection of non-timber values, and for operations adjacent to watercourses including buffers and the handling and storage of fuels, lubricants and herbicides	No major non-compliances with government work permit conditions for Tolko and contractor operations (major non-compliances are those that result in issuing of a “Summary Procedure” or an “Indictment Notification” by MC) Acceptable Variance: No variance from the target of no major non-compliances related to work permit conditions is acceptable. There may be some instances where minor non-compliances may occur and be documented for follow-up action within the EMS or through communication of from MC via the MC Timber Harvest Inspection Report.
	Progress Towards Achievement
	Met target

2009 Report

Through a process of Contractor Orientation Records, Project Tailgate Meetings, and Operations Inspections the Company ensures that contractors comply with government work permits and Tolko Standard Operating Procedures.

In 2009 there were no major non-compliances. Two minor non-compliances occurred, 1 trespass and 1 oil spill both in harvest block DO-208. In addition there were four less than 50 liter spills reported to the company. See Appendix II – Summary of Environmental Incidents in 2009.

CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.1	Timber and Non-timber Benefits Manage the forest sustainability to produce an acceptable and feasible mix of both timber and non-timber benefits
FML Area No. 2 DFA Value 5.1.2	Balance of economic, social and environmental benefits of the forest without comprising sustainability
Objective 5.1.2.1	To replace the area just harvested with composition similar to pre-harvest

Indicator 5.1.2.1.1	Target 5.1.2.1.1
Harvest blocks are regenerated as soon as possible	100% of all harvest blocks, for which the Company has renewal responsibility, receive a forest renewal treatment within 3 years of harvest Acceptable Variance: Minor variances may occur in scheduling of initial renewal treatments for small areas to be combined for treatment or for areas with limited access. No areas will be left beyond 5 years without receiving initial prescribed treatment.
	Progress Towards Achievement
	Met target. No variance.

2009 report

Following the 2008 tree plant the silviculture forester reviewed the renewal status of all blocks harvested on the FMLA in 2006 to determine which blocks still required silviculture treatment, and ensured that they were scheduled for priority treatment in the 2009 season.

Following the 2009 silviculture season all treatments were actualized in WTS. The harvest activities by FMU report generator in WTS was used to list all the harvest blocks cut by Tolko in 2006, this was exported to a excel spreadsheet. All blocks on this spreadsheet were reviewed to identify any blocks that Tolko did not have renewal responsibility for. There were 17 such blocks. These included one right-of-way that does not need to be reforested, seven blocks outside the FML that are MC's renewal responsibility, three blocks harvested by quota holders in Saskatchewan River that MC retains renewal responsibility on and three hardwood quota blocks in Saskatchewan River which are MC's responsibility.

The remaining 75 blocks are Tolko responsibility to renew. The status of each block was reviewed in WTS and the year that basic silviculture was completed was entered in the table for scarification for natural regeneration or planting. All blocks had a treatment.

The company is 100% in compliance with this indicator and all blocks received initial silviculture treatment within 3 years.

CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.1	Timber and Non-timber Benefits Manage the forest sustainability to produce an acceptable and feasible mix of both timber and non-timber benefits
FML Area No. 2 DFA Value 5.1.2	Balance of economic, social and environmental benefits of the forest without compromising sustainability
Objective 5.1.2.1	To replace the area just harvested with composition similar to pre-harvest

Indicator 5.1.2.1.2	Target 5.1.2.1.2
Forest cover composition of reforested cutover areas	100% of all harvested areas to be reforested to the standards set in the MC Regeneration and Free-to-Grow requirements Acceptable Variance (2008): With the exception for blocks compromised by circumstances which would influence renewal, such as flooding, land use re-classification (mining, hydro corridor, ASI), or withdrawal (TLE) or in cases where MC denies approval for proposed remedial action because of preferable alternative management strategies, <u>No variance</u> in meeting MC renewal standards for all areas harvested. All Company's renewal benchmarks must be within MC renewal timeframes. Conditions justifying any exemption from MC benchmarks for individual blocks will be documented in the annual report.
	Progress Towards Achievement
	On track to meet target.

2009 Report

There were no formal regeneration survey or free to grow surveys conducted in 2009. The silviculture forester conducted several aerial surveys to assess the possibility of determining block status from a low level aerial evaluation conducted during the leaf off stage. Fifty-eight blocks were surveyed aurally. Four blocks had been previously ground surveyed and were used for calibration. Of the remaining blocks, fifteen were classified as Free-to-grow, 17 as meeting the softwood regeneration standard, 15 required herbicide treatment. Eight couldn't be classified from the air and will be ground surveyed and 7 will be aurally surveyed in 2010.

Remedial action on blocks identified in prior reports as requiring treatment to meet standards:
2006 report: One block, MB-40 requires a herbicide treatment prior to fill planting. These treatments are scheduled. All remaining blocks meet the softwood regeneration standard.

2007 report: two blocks were identified in the 2007 report as needing treatment to meet the regeneration standard. Block TU-7 was fill planted to the required density in 2008 and block EA-1 was fill planted in 2009.

From initial aerial assessments done in 2008 six blocks were identified as requiring a traditional ground survey to identify current status. Four blocks, JO-64, JO-66, JO-67 and RL-21 (total area 495 ha) require a regeneration survey. These surveys were scheduled in WTS. Two blocks B24B and TM-25 (total area 199 ha) required a free to grow survey. The free-to-grow surveys were conducted in 2009. The Manitoba Silviculture Technical Committee is presently investigating procedures for implementing aerial surveys and Tolko is represented on the subcommittee.

CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.1	Timber and Non-timber Benefits Manage the forest sustainably to produce an acceptable and feasible mix of both timber and non-timber benefits
FML Area No. 2 DFA Value 5.1.3	Multiple use of the forest, including the consideration of cultural values, recreational uses, tourism, and other non-timber resources
Objective 5.1.3.1	Forestry operations will be planned and implemented in a manner that considers the diversity of social, economic, cultural and environmental values on the forest and use of localized knowledge of local species

Indicator 5.1.3.1.1	Target 5.1.3.1.1
Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)	Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs and Road Management Plans Acceptable Variance: No variance is acceptable in making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process. Although differences in view may occur, all concerns brought forward and the response of the Company will be documented.
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

During 2009, the Company took a pro-active role in communicating planned harvest and forest renewal activities to the general public. In June, prior to the 2010/11 Annual Operating Plan being submitted to Manitoba Conservation, the Company held a series of public meetings in 12 communities. These meetings included most communities across the FML Area in proximity to proposed forest management activity. The purpose of these meetings was to provide an opportunity for those people who have an interest in the Company's operations to learn more about the proposed activities in each of these operating districts. Public meetings are also designed to provide the public with an opportunity to discuss their interests and concerns with Company representatives prior to the 2010/11 Annual Operating Plan being submitted to Manitoba Conservation for approval.

Notices of the meetings were sent to Community groups, First Nations and Special Interest groups, as well as, being advertised in various local newspapers, radio announcements, community bulletin boards and local TV channel in Snow Lake. The meetings followed an open house format with participants encouraged to review the preliminary information on upcoming plans as displayed on maps and/or photographs.

The Company created a standard process for all public meetings. The standard agenda includes access to Company Plans, review of the operating Plan or amendment, road development and closure, traditional knowledge concerns, local plant and/or wildlife knowledge and local Community issues (e.g. other forest uses). Opportunity to raise concerns privately is accommodated through a public consultation questionnaire available at every meeting. Minutes of each public meeting are documented including the question and answer period that follow the presentation on the AOP. These minutes form part of the AOP submitted to Manitoba Conservation. Where issues are raised that require more than a clarification answer and would result in further meetings, discussions, field trips and potential modification of plans or operating directions, such issues are then noted in the monthly issues and concerns table for ongoing follow-up, a summary of the issues and concerns that have been documented throughout 2009 are listed in the summary of 2009 Public Issues and Concerns Table January 1 to December 31, 2009.

In 1996 the Company established a Forest Resource Advisory Committee (FRAC) to provide an additional opportunity for ongoing public involvement in Forest Management activities within the FML Area. The FRAC has since evolved into a broader role that includes providing input to the Company as a component of the SFM system for the DFA. This has occurred through the merger of the SFM Committee and the FRAC Committees once the SFM Plan had been developed. At the September 2009 FRAC meeting the Committee changed the name of the committee from FRAC to Sustainable Forest Management Committee (SFMC). The membership is a broad spectrum of interest groups, stakeholders, and individuals from across the FML Area that has an interest in Forest Management Activities. The objectives of the SFMC are to provide an opportunity for the Company to learn the diverse interests, values, and concerns of Committee members and to provide an opportunity for members to comment on Forest Management Activities in FML Area No.2. In addition the SFMC have begun meeting more frequently to review and revise indicators to meet the new Z809-08 SFM standards. The Committee met on four occasions in 2009.

Tolko staff also met twice with the Resource Management Council of Opaskwayak Cree Nation (OCN) in 2009: January for presentations on different aspects of forest management and then again in May for a field tour in the Landry Lake area. Tolko staff did a forest planning presentation to the OCN Resource Management Board in June and then to participants in the First Nation Ranger Program in July. An open house meeting was held in Snow Lake in September to give an update on the status of the Dickstone Road. UCN students were taken on a field tour of harvesting operations in September. In October, meetings were held in The Pas and Cranberry Portage with Peterson Lake cottagers and stakeholders to discuss proposed operations.

CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.1	Timber and Non-timber Benefits Manage the forest sustainably to produce an acceptable and feasible mix of both timber and non-timber benefits
FML Area No. 2 DFA Value 5.1.4	Respect for the diverse aspirations, interests and plans of other users of the forests
Objective 5.1.4.1	Include heritage and cultural resource values in the planning process

Indicator 5.1.4.1.1	Target 5.1.4.1.1
Proposed all-weather roads reviewed for the potential for the occurrence of heritage resources	100% of new all-weather roads to be reviewed for the potential for the presence of heritage resources Acceptable Variance: No variance in ensuring that all new all-weather roads be screened for the presence of heritage resources is acceptable
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

No new all-weather roads were proposed or built in 2009. No review for the potential of the presence of Heritage Resources was required in 2009.

CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.1	Timber and Non-timber Benefits Manage the forest sustainably to produce an acceptable and feasible mix of both timber and non-timber benefits
FML Area No. 2 DFA Value 5.1.5	Large areas of forest minimally impacted by humans
Objective 5.1.5.1	Company to participate in the Manitoba Protected Areas Initiative led by the Government and respect identified Protected Areas and ASIs in the DFA

Indicator 5.1.5.1.1	Target 5.1.5.1.1 (A) - 2006
Protected Areas and ASIs recognized in forest management plans (FMP and AOP)	No harvesting proposed in recognized Protected Areas. Acceptable Variance: No variance in ensuring that harvesting plans are excluded from within recognized Protected Areas is acceptable.
	Target 5.1.5.1.1 (B) - 2006
	Any harvesting proposed for ASIs to require specific approval of AOP and/or work permits for the proposed harvest area from the IRMT. Acceptable Variance: No variance in ensuring that harvesting plans proposed for ASIs receive specific approval of the IRMT is acceptable.
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

The Protected Areas and the ASIs are treated separately in recognition of the difference in their status in terms of allowance for forest management activities in the Province of Manitoba. As such the indicator now has two separate targets with associated variances, Target (A) relating to protected areas, and Target (B) relating to ASI areas. Protected Areas will continue to have no planned harvesting allowed. ASI areas will have harvesting planned where approved under work permit from the government I.R.M.T. Harvesting in any ASI will only occur with AOP and/or work permit approval from the I.R.M.T. Although three operating areas within ASIs were proposed, none were approved or permitted.

All known ASI boundaries are provided by Manitoba Conservation and will be indicated on the AOP maps. The current Annual Operating Plan (AOP) maps show boundaries of all known protected areas and ASIs indicating Provincial Parks, Park Reserves, Ecological Reserves and proposed ecological reserves.

- (A) A review of the 2009/09 AOP indicated no harvest proposed in any recognized Protected Area.
- (B) A review of the 2007/08 cutover records indicated no harvesting occurred on any known ASI or protected area.

CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.2	Communities and Sustainability Contribute to the sustainability of communities by providing diverse opportunities to derive benefits from forests and to participate in their use and management
FML Area No. 2 DFA Value 5.2.1	The long-term viability of local forest-based communities and businesses
Objective 5.2.1.1	To continue to provide opportunities for local employment in resources sectors that are dependent on the use of forest resources

Indicator 5.2.1.1.1	Target 5.2.1.1.1
Extent of local involvement in forest operations in the DFA	To have at least 75% of the financial value of signed contracts to be conducted on the DFA, held by local contractors Acceptable Variance: (2008) A 15% variance of the value of signed contracts to be conducted in the DFA, held by local contractors, provided that local contractor's are cost competitive and possess the capabilities and capacity to conduct the work
	Progress Towards Achievement
	Met target. Within variance

2009 Report

During 2009, 62 signed contracts/purchase orders on the DFA were acted on. These contracts/purchase orders included planning support (PHFI surveys, forest inventory, etc.), road construction and maintenance activities, harvesting operations, hauling, and forest renewal operations (scarification, site preparation, tree planting, Regeneration and Free-to-Grow surveys). The value of the contracts/purchase orders on the DFA was \$19,874,330.

Of the 62 contracts/purchase orders, 48 were with resident contractors. Resident contractors held 77% of the 2009 contract/purchase orders. The total value of the contracts/purchase orders held by resident contractors was \$15,207,297, which also represents 77% of the total value paid by Tolko to contractors in 2009.

The remaining 14 contracts/purchase orders were with non-resident contractors. Non-resident contractors held 23% of the 2009 contracts/purchase orders. The total value of the contracts/purchase orders held by non-resident contractors was \$4,667,032, which also represents 23% of the total value paid by Tolko to contractors in 2009.

Following a review at the December, 2008 FRAC meeting the committee approved a change to the indicator to include a 15% variance of the value of signed contracts to be conducted on the DFA, held by local contractors, provided that local contractors are cost competitive and possess the capabilities and capacity to conduct the work. The target was met with 77% of the value of signed contracts held by local contractors.

It should also be noted that approximately 4% of the total value of contracts is held with non resident contractors for services, such as forestry consulting, and tree nursery, that were not available on the DFA in 2009.

During 2009, three contracts were put out for bid providing an opportunity for resident as well as non-resident contractors to bid competitively for the awarding of the bid. Included in the guidelines for bidding is the statement that the '*Contractor shall use its best endeavors to employ local people and equipment.*' as an initiative to encourage use of local labour/contractors. Two of the three contracts were awarded to resident contractors with the remaining contract going to a non resident contractor.

CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.2	Communities and Sustainability Contribute to the sustainability of communities by providing diverse opportunities to derive benefits from forests and to participate in their use and management
FML Area No. 2 DFA Value 5.2.1	The long-term viability of local forest-based communities and businesses
Objective 5.2.1.2	Endeavor to understand and take into account implications of forest planning on other users of the forest

Indicator 5.2.1.2.1	Target 5.2.1.2.1
Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)	Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs and Road Management Plans Acceptable Variance: No variance is acceptable in making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process. Although differences in view may occur, all concerns brought forward and the response of the Company will be documented.
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

During 2009, the Company took a pro-active role in communicating planned harvest and forest renewal activities to the general public. In June, prior to the 2010/11 Annual Operating Plan being submitted to Manitoba Conservation, the Company held a series of public meetings in 12 communities. These meetings included most communities across the FML Area in proximity to proposed forest management activity. The purpose of these meetings was to provide an opportunity for those people who have an interest in the Company's operations to learn more about the proposed activities in each of these operating districts. Public meetings are also designed to provide the public with an opportunity to discuss their interests and concerns with Company representatives prior to the 2010/11 Annual Operating Plan being submitted to Manitoba Conservation for approval.

Notices of the meetings were sent to Community groups, First Nations and Special Interest groups, as well as, being advertised in various local newspapers, radio announcements, community bulletin boards and local TV channel in Snow Lake. The meetings followed an open house format with participants encouraged to review the preliminary information on upcoming plans as displayed on maps and/or photographs.

The Company created a standard process for all public meetings. The standard agenda includes access to Company Plans, review of the operating Plan or amendment, road development and closure, traditional knowledge concerns, local plant and/or wildlife knowledge and local

Community issues (e.g. other forest uses). Opportunity to raise concerns privately is accommodated through a public consultation questionnaire available at every meeting. Minutes of each public meeting are documented including the question and answer period that follow the presentation on the AOP. These minutes form part of the AOP submitted to Manitoba Conservation. Where issues are raised that require more than a clarification answer and would result in further meetings, discussions, field trips and potential modification of plans or operating directions, such issues are then noted in the monthly issues and concerns table for ongoing follow-up, a summary of the issues and concerns that have been documented throughout 2009 are listed in the summary of 2009 Public Issues and Concerns Table January 1 to December 31, 2009.

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Tolko staff also met twice with the Resource Management Council of Opaskwayak Cree Nation (OCN) in 2009: January for presentations on different aspects of forest management and then again in May for a field tour in the Landry Lake area. Tolko staff did a forest planning presentation to the OCN Resource Management Board in June and then to participants in the First Nation Ranger Program in July. An open house meeting was held in Snow Lake in September to give an update on the status of the Dickstone Road. UCN students were taken on a field tour of harvesting operations in September. In October, meetings were held in The Pas and Cranberry Portage with Peterson Lake cottagers and stakeholders to discuss proposed operations.

CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.2	Communities and Sustainability Contribute to the sustainability of communities by providing diverse opportunities to derive benefits from forests and to participate in their use and management
FML Area No. 2 DFA Value 5.2.2	Public safety
Objective 5.2.2.1	Increase public safety

Indicator 5.2.2.1.1	Target 5.2.2.1.1
Programs in place related to public safety during truck haul operations on DFA Company roads	Ensure the Haul Safety Program is in place annually for operators hauling on DFA Company roads Acceptable Variance: No variance in ensuring the Haul Safety Program is in place annually for wood delivery to the Company on DFA Company roads
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

The trial of using 3 radio channels in 2008 season found that the radio clutter was reduced. The trial was deemed a success and adopted into the Truck Haul Safety Program. The change was reviewed at the 2009 contractors' meeting. The specific radio channel for each active operating area is posted at the start of the access road.

The truck haul safety program and/or the radio policy is reviewed with appropriate contractors during Tailgate Meetings.

CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.3	Fair Distribution of Benefits and Costs Promote the fair distribution of timber and non-timber benefits and costs
FML Area No. 2 DFA Value 5.3.1	Local sense of ownership and sharing in the benefits of the forest industry
Objective 5.3.1.1	To continue to have local presence in the forest industry through the ongoing participation of local contractors in the DFA

Indicator 5.3.1.1.1	Target 5.3.1.1.1
Extent of local involvement in forest operations in the DFA	To have at least 75% of the financial value of signed contracts to be conducted on the DFA, held by local contractors Acceptable Variance: (2008) A 15% variance of the value of signed contracts to be conducted in the DFA, held by local contractors, provided that local contractor's are cost competitive and possess the capabilities and capacity to conduct the work
	Progress Towards Achievement
	Met target. No variance

2009 Report

During 2009, 62 signed contracts/purchase orders on the DFA were acted on. These contracts/purchase orders included planning support (PHFI surveys, forest inventory, etc.), road construction and maintenance activities, harvesting operations, hauling, and forest renewal operations (scarification, site preparation, tree planting, Regeneration and Free-to-Grow surveys). The value of the contracts/purchase orders on the DFA was \$19,874,330.

Of the 62 contracts/purchase orders, 48 were with resident contractors. Resident contractors held 77% of the 2009 contract/purchase orders. The total value of the contracts/purchase orders held by resident contractors was \$15,207,297, which also represents 77% of the total value paid by Tolko to contractors in 2009.

The remaining 14 contracts/purchase orders were with non-resident contractors. Non-resident contractors held 23% of the 2009 contracts/purchase orders. The total value of the contracts/purchase orders held by non-resident contractors was \$4,667,032, which also represents 23% of the total value paid by Tolko to contractors in 2009.

Following a review at the December, 2008 FRAC meeting the committee approved a change to the indicator to include a 15% variance of the value of signed contracts to be conducted on the DFA, held by local contractors, provided that local contractors are cost competitive and possess the capabilities and capacity to conduct the work. The target was met with 77% of the value of signed contracts held by local contractors.

It should also be noted that approximately 4% of the total value of contracts is held with non resident contractors for services, such as forestry consulting, and tree nursery, that were not available on the DFA in 2009.

During 2009, three contracts were put out for bid providing an opportunity for resident as well as non-resident contractors to bid competitively for the awarding of the bid. Included in the guidelines for bidding is the statement that the '*Contractor shall use its best endeavors to employ local people and equipment.*' as an initiative to encourage use of local labour/contractors. Two of the three contracts were awarded to resident contractors with the remaining contract going to a non resident contractor.

CCFM Criterion 5.0	Multiple Benefits to Society
CSA SFM Element 5.3	Fair Distribution of Benefits and Costs Promote the fair distribution of timber and non-timber benefits and costs
FML Area No. 2 DFA Value 5.3.2	Successful sustained forestry operations on the DFA
Objective 5.3.2.1	Maintain competitive stable short-term and long-term wood costs

Indicator 5.3.2.1.1	Target 5.3.2.1.1
Cost per cubic metre of delivered wood	Strive to achieve delivered wood costs that meet the average costs for regional forest industry of comparable operating circumstances Acceptable Variance: The Company will strive to achieve delivered wood costs within 10% of the average costs for comparable regional forest industry benchmarks
	Progress Towards Achievement
	Did not meet target. Not within acceptable variance.

2009 Report

Once again the Company did not participate in the Price Waterhouse Coopers Log Cost Survey as there were no eastern Canadian companies involved in the survey.

The intent of this indicator is to ensure successful sustained forestry operations on the DFA by maintaining competitive short term and long term wood costs. In 2009, Woodlands operators concentrated on harvesting within AAC's. In order to minimize transportation costs, there was no logging within the Nelson River District.

Given the economic turmoil, another case can be made that the site is viable given the fact that the papermill continued to operate, employing approximately 300 people.

This is a successful indicator given the fact that 16,400 jobs were lost in the forest sector in 2009 and since 2003 there have been 38,428 jobs lost. (Source: The State of Canada's Forests 2009 – Forest Industry Competitiveness published by Natural Resources Canada.)

CCFM Criterion 6.0	Accepting Society's Responsibility for Sustainable Development
CSA SFM Element 6.1	Aboriginal and Treaty Rights Recognize and respect Aboriginal and treaty rights
FML Area No. 2 DFA Value 6.1.1	Respect Aboriginal and treaty rights
Objective 6.1.1.1	Raise awareness of Aboriginal and treaty rights

Indicator 6.1.1.1.1	Target 6.1.1.1.1
Percentage of Woodlands staff who have participated in Aboriginal, treaty rights and cultural awareness sessions	100% of all Woodlands staff will receive Aboriginal, treaty rights and cultural awareness training Acceptable Variance: No variance is acceptable
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

A formal awareness session was not required in 2009. The indicator states that awareness training be conducted every three years. A session was held in 2007.

Company staff met several times with the Resources Councils for Opaskwayak Cree Nation (OCN) in 2009.

CCFM Criterion 6.0	Accepting Society's Responsibility for Sustainable Development
CSA SFM Element 6.1	Aboriginal and Treaty Rights Recognize and respect Aboriginal and treaty rights
FML Area No. 2 DFA Value 6.1.1	Respect Aboriginal and treaty rights
Objective 6.1.1.2	Seek Aboriginal input to FMP and AOP plans

Indicator 6.1.1.2.1	Target 6.1.1.2.1
Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)	Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs and Road Management Plans Acceptable Variance: No variance is acceptable in making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process. Although differences in view may occur, all concerns brought forward and the response of the Company will be documented.
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

During 2009, the Company took a pro-active role in communicating planned harvest and forest renewal activities to the general public. In June, prior to the 2010/11 Annual Harvest and Renewal Plan (AH&RP) being submitted to Manitoba Conservation, the Company held a series of public meetings in 12 communities. These meetings included most communities across the FML Area in proximity to proposed forest management activity. The purpose of these meetings were to provide an opportunity for those people who have an interest in the Company's operations to learn more about the proposed activities in each of these operating districts. Public meetings are also designed to provide the public with an opportunity to discuss their interests and concerns with Company representatives prior to the AH&RP being submitted to Manitoba Conservation for approval.

Notices of the meetings were sent to Community groups, First Nations and Special Interest groups, as well as, being advertised in various local newspapers, radio announcements, community bulletin boards and local TV channel in Snow Lake. The meetings followed an open house format with participants encouraged to review the preliminary information on upcoming plans as displayed on maps.

The Company created a standard process for all public meetings. Accompanying the traditional notice of public meetings is the public meeting agenda. The standard agenda includes access to Company Plans, review of the operating Plan or amendment, road development and closure, traditional knowledge concerns, local plant and/or wildlife knowledge and local Community issues (e.g. other forest uses). Opportunity to raise concerns privately is accommodated through a public consultation questionnaire available at every meeting. Minutes of each public meeting are

documented including the question and answer period that follow the presentation on the AH&RP. These minutes form part of the AH&RP submitted to Manitoba Conservation. Where issues are raised that require more than a clarification answer and would result in further meetings, discussions, field trips and potential modification of plans or operating directions, such issues are then noted in the monthly issues and concerns table for ongoing follow-up, a summary of the issues and concerns that have been documented throughout 2009 are listed in the summary of 2009 Public Issues and Concerns Table January 1 to December 31, 2009 (Appendix I).

In 1996 the Company established a Forest Resource Advisory Committee (FRAC) to provide an additional opportunity for ongoing public involvement in Forest Management activities within the FML Area. The FRAC has since evolved into a broader role that includes providing input to the Company as a component of the Sustainable Forest Management (SFM) system for the DFA. This has occurred through the merger of the SFM Committee and the FRAC Committees once the SFM Plan had been developed. In 2009, the FRAC decided to re-name itself the SFM Committee. SFM Committee membership is a broad spectrum of interest groups, stakeholders, and individuals from across the FML Area that has an interest in Forest Management Activities. The objectives of the SFM Committee are to provide an opportunity for the Company to learn the diverse interests, values, and concerns of Committee members and to provide an opportunity for members to comment on Forest Management Activities in FML Area No.2. The SFM Committee met on 4 occasions in 2009.

Presentations on different aspects of forest management were made to the OCN Resource Council in January. A field tour was held in the Landry Lake area with OCN Resource Council in May. A forest planning presentation was made to the OCN Resource Management Board in June. A forest management planning presentation was made to participants in the First Nation Ranger Program in July. SFM Committee meetings were held in February, June, September and December. An open house meeting was held in Snow Lake in September to give an update on the status of the Dickstone Road. UCN students were taken on a field tour of harvesting operations in September. In October, meetings were held in The Pas and Cranberry Portage with Peterson Lake cottagers and stakeholders to discuss proposed operations.

CCFM Criterion 6.0	Accepting Society's Responsibility for Sustainable Development
CSA SFM Element 6.2	Respect for Aboriginal Forest Values, Knowledge, and Users Respect traditional Aboriginal forest values and uses identified through the Aboriginal input process
FML Area No. 2 DFA Value 6.2.1	Respect Aboriginal traditional knowledge
Objective 6.2.1.1	Incorporating traditional knowledge into the development of forest operating plans

Indicator 6.2.1.1.1	Target 6.2.1.1.1
Documentation of public consultation process followed, communities consulted, concerns raised and strategies/mitigation developed to address concerns of local Aboriginal and other communities and non-timber resource users within forest management plans for the DFA (FMP, AOP, Road Management Plans)	Forest management planning will take into account Aboriginal and other Community and stakeholder interests and concerns for development of SFM Plans, FMPs, AOPs and Road Management Plans Acceptable Variance: No variance is acceptable in making reasonable efforts to incorporate the interests and concerns of communities and stakeholders in the planning process. Although differences in view may occur, all concerns brought forward and the response of the Company will be documented.
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

During 2009, the Company took a pro-active role in communicating planned harvest and forest renewal activities to the general public. In June, prior to the 2010/11 Annual Harvest and Renewal Plan (AH&RP) being submitted to Manitoba Conservation, the Company held a series of public meetings in 12 communities. These meetings included most communities across the FML Area in proximity to proposed forest management activity. The purpose of these meetings were to provide an opportunity for those people who have an interest in the Company's operations to learn more about the proposed activities in each of these operating districts. Public meetings are also designed to provide the public with an opportunity to discuss their interests and concerns with Company representatives prior to the AH&RP being submitted to Manitoba Conservation for approval.

Notices of the meetings were sent to Community groups, First Nations and Special Interest groups, as well as, being advertised in various local newspapers, radio announcements, community bulletin boards and local TV channel in Snow Lake. The meetings followed an open house format with participants encouraged to review the preliminary information on upcoming plans as displayed on maps.

The Company created a standard process for all public meetings. Accompanying the traditional notice of public meetings is the public meeting agenda. The standard agenda includes access to Company Plans, review of the operating Plan or amendment, road development and closure,

traditional knowledge concerns, local plant and/or wildlife knowledge and local Community issues (e.g. other forest uses). Opportunity to raise concerns privately is accommodated through a public consultation questionnaire available at every meeting. Minutes of each public meeting are documented including the question and answer period that follow the presentation on the AH&RP. These minutes form part of the AH&RP submitted to Manitoba Conservation. Where issues are raised that require more than a clarification answer and would result in further meetings, discussions, field trips and potential modification of plans or operating directions, such issues are then noted in the monthly issues and concerns table for ongoing follow-up, a summary of the issues and concerns that have been documented throughout 2009 are listed in the summary of 2009 Public Issues and Concerns Table January 1 to December 31, 2009 (Appendix I).

In 1996 the Company established a Forest Resource Advisory Committee (FRAC) to provide an additional opportunity for ongoing public involvement in Forest Management activities within the FML Area. The FRAC has since evolved into a broader role that includes providing input to the Company as a component of the Sustainable Forest Management (SFM) system for the DFA. This has occurred through the merger of the SFM Committee and the FRAC Committees once the SFM Plan had been developed. In 2009, the FRAC decided to re-name itself the SFM Committee. SFM Committee membership is a broad spectrum of interest groups, stakeholders, and individuals from across the FML Area that has an interest in Forest Management Activities. The objectives of the SFM Committee are to provide an opportunity for the Company to learn the diverse interests, values, and concerns of Committee members and to provide an opportunity for members to comment on Forest Management Activities in FML Area No.2. The SFM Committee met on 4 occasions in 2009.

Presentations on different aspects of forest management were made to the OCN Resource Council in January. A field tour was held in the Landry Lake area with OCN Resource Council in May. A forest planning presentation was made to the OCN Resource Management Board in June. A forest management planning presentation was made to participants in the First Nation Ranger Program in July. SFM Committee meetings were held in February, June, September and December. An open house meeting was held in Snow Lake in September to give an update on the status of the Dickstone Road. UCN students were taken on a field tour of harvesting operations in September. In October, meetings were held in The Pas and Cranberry Portage with Peterson Lake cottagers and stakeholders to discuss proposed operations.

CCFM Criterion 6.0	Accepting Society's Responsibility for Sustainable Development
CSA SFM Element 6.3	Public Participation Demonstrate that the SFM public participation process is designed and functioning to the satisfaction of the participants
FML Area No. 2 DFA Value 6.3.1	Local public satisfaction with the planning process
Objective 6.3.1.1	To obtain local broad public satisfaction with the planning process

Indicator 6.3.1.1.1	Target 6.3.1.1.1
Degree of satisfaction with the public participation component of the planning process	2006 Target: The majority of the FRAC Committee members responding to the survey indicate being satisfied (or better) with the public participation process of the FRAC Committee
	Acceptable Variance: No variance is acceptable
	Progress Towards Achievement No survey required this year. In conformance with indicator. No variance occurred.

2009 Report

This is a bi annual survey with the last survey reported in 2008. There is no requirement for a survey in 2009.

Responsibility for the Satisfaction survey falls to the chair of the SFM committee (the membership of the former FRAC voted to change the name of the committee to Sustainable Forest Management Committee in 2009 to reflect the primary role they felt the committee had assumed). During 2009 the position of chair came vacant in the fall and was filled at the December meeting by a volunteer from the membership. The chair undertook to develop a satisfaction survey as an exit survey from each meeting and to compile the results and provide a summary at each following meeting. This process began at the first regular meeting following the election of the new chair, which was January 2010.

CCFM Criterion 6.0	Accepting Society's Responsibility for Sustainable Development
CSA SFM Element 6.4	Information for Decision Making Provide relevant information to interested parties to support their involvement in the public participation process, and increase knowledge of ecosystem processes and human interactions with forest ecosystems
FML Area No. 2 DFA Value 6.4.1	Continuous improvement of sustainable forest management practices on the DFA
Objective 6.4.1.1	Continual increase in the knowledge ecosystem processes and impacts of management practices

Indicator 6.4.1.1.1	Target 6.4.1.1.1
Training and awareness opportunities for contractors on the DFA	Provide annual information sessions to 100% of all contractors on the DFA Acceptable Variance: It is recognized that for a number of circumstances some contractors may be unable to attend a given meeting, however there shall be no variance in ensuring that all contractors will either attend the meeting or will be briefed by a Tolko Woodlands representative and provided with a Summary Report on the meeting including minutes and all handout materials.
	Progress Towards Achievement
	Target met. No variance

2009 Report

On October 15, 2009 a contractor meeting was held in The Pas, Manitoba. Twenty-two contractors were invited; 20 contractors attended and two were not present. All contractors invited to the meeting were sent minutes and handouts of the meeting.

The two contractors, who missed the meeting, had their Contractor Orientation Record (COR) expired. The minutes of the contractor's meeting were reviewed when completing their new CORs.

CCFM Criterion 6.0	Accepting Society's Responsibility for Sustainable Development
CSA SFM Element 6.4	Information for Decision Making Provide relevant information to interested parties to support their involvement in the public participation process, and increase knowledge of ecosystem processes and human interactions with forest ecosystems
FML Area No. 2 DFA Value 6.4.1	Continuous improvement of sustainable forest management practices on the DFA
Objective 6.4.1.1	Continual increase in the knowledge ecosystem processes and impacts of management practices

Indicator 6.4.1.1.2	Target 6.4.1.1.2
Tolko understanding and practices based upon current and emerging knowledge and recommended practices	Representatives of Woodlands staff will attend conferences, workshops and field trips related to current and emerging knowledge and recommended practices and bring forward any relevant recommendations for process improvement Acceptable Variance: No variance in providing the opportunity for all Woodlands staff to attend conferences, workshops and field trips to enable continual learning is acceptable. Annual evaluation of staff will include the opportunity for staff to bring forward suggestions for attending functions. Attendance to any given function is dependent upon scheduling related to staff work responsibilities, budgets and other factors.
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

The following table provides a brief overview of the attendance of Tolko Woodlands Staff at conferences, workshops and field trips during 2009. Current and emerging knowledge and recommended practices are highlighted in terms of potential recommendations for process improvement for the Tolko Manitoba EMS/SFM systems.

Conference, Workshop or Field Trip	Contribution to Understanding and Knowledge and Relevant Recommendations for Process Improvement
Disturbance effects on watershed functions- webcast –March 11, 2009	This presentation contributes to achieving target 3.2.1.2.1 by keeping current with watershed research specific to forest planning and operations.
Beneficial use of wood ash- webcast- March 19, 2009	This presentation contributes to criterion 5 by keeping current with projects related to wood products research .
Potential effects of climate change on hydrology, geomorphology and aquatic ecology. webcast-April 15, 2009	This presentation contributes to achieving target 3.2.1.2.1 by keeping current with watershed research specific to forest planning and operations.
Managing Forest Ecosystems in a changing environment-webcast- November 19,2009	This presentation contributes to criterion 1 by keeping current with projects related to biodiversity research .
Navigable Waters Protection Act Regulatory Development-webcast – October 15,2009	This presentation contributes to achieving target 3.2.1.1.1 by keeping current with water related legislation specific to forest planning and operations.

The complete text of the trip highlights was documented and distributed to appropriate Woodlands staff members and posted to EMS web site.

CCFM Criterion 6.0	Accepting Society's Responsibility for Sustainable Development
CSA SFM Element 6.4	Information for Decision Making Provide relevant information to interested parties to support their involvement in the public participation process, and increase knowledge of ecosystem processes and human interactions with forest ecosystems
FML Area No. 2 DFA Value 6.4.1	Continuous improvement of sustainable forest management practices on the DFA
Objective 6.4.1.1	Continual increase in the knowledge ecosystem processes and impacts of management practices

Indicator 6.4.1.1.3	Target 6.4.1.1.3 (A)
Training members of the Forest Resource Advisory Committees (FRAC) and the SFM Committee	FRAC and SFM Committee members will receive forest management presentations and information updates from the Company at least 2 times per year and the opportunity to participate in at least 1 field tour per year Acceptable Variance: No variance is acceptable
	Progress Towards Achievement
	Met target. No variance occurred.
	Target 6.4.1.1.3 (B)
	FRAC and SFM Committees will be provided with the opportunity to place a representative on SFM audits for the DFA Acceptable Variance: No variance is acceptable
	Progress Towards Achievement
	Did not meet target. No variance occurred.

2009 Report

Indicator 6.4.1.1.3 (A)

The Committee met 4 times in 2009.

- February 4
- June 8
- September 16
- December 2

Information updates occurred at the June, September and December meetings.

The members of the committee felt that the primary focus of the committee was the maintenance of the SFM plan and that the name should reflect that. Accordingly the committee is now known as the Sustainable Forest Management Committee and as such also fills the role of the former FRAC specifically which is two way information sharing on environmental licensing, forest management planning and operational activities generally in FML area No. 2, and on those relating to Tolko Manitoba in particular. The chair of the committee resigned prior to the September meeting, which was chaired by the Divisional Forester with the approval of the members. A new chair was sought from the membership and

elected at the December meeting. The most significant actions by the committee in 2009 were planning the transition from the Z890-02 standard to the revised standard Z809-08.

The ground rules of the committee were changed slightly in September 2009 to reflect wording that was a requirement of the Z809-08 standard

One tour was conducted for the committee in 2009; interested members took a tour of the pulp and paper mill following the meeting in December.

Indicator 6.4.1.1.2 (B)

The membership was not specifically asked if they wanted to accompany an auditor on the audit.

CCFM Criterion 6.0	Accepting Society's Responsibility for Sustainable Development
CSA SFM Element 6.4	Information for Decision Making Provide relevant information to interested parties to support their involvement in the public participation process, and increase knowledge of ecosystem processes and human interactions with forest ecosystems
FML Area No. 2 DFA Value 6.4.1	Continuous improvement of sustainable forest management practices on the DFA
Objective 6.4.1.2	Increase broad public access to information pertaining to SFM for the DFA

Indicator 6.4.1.2.1	Target 6.4.1.2.1
Access of the broad public to information on SFM, FMP and AOP plans and related public participation processes	Sufficient information sharing mechanisms so the broad public will have access to the recent SFM Plan, FMP and AOPs and Annual SFM Report Acceptable Variance: No variance is acceptable
	Progress Towards Achievement
	Met target. No variance occurred.

2009 Report

Beginning in May 2009 email distribution lists were developed for quicker delivery of material and notifications to members and interested parties. A large majority of the memberships responded providing email addresses with the remaining members still receiving their material and notification by post mail.

The following material was mailed or emailed in 2009 to members of the FML FRAC and Interested Parties.

- Events Calendar for Canadian Parks and Wilderness Society (CPAWS) sessions on caribou in The Pas and Thompson was enclosed with the minutes from the February 4/09 meeting.
- February 24/09 Letter from M.L. Harvey Chair of SFMC addressing attendance at meetings.
- October 26/09 Letter from Paul Chapman re change of name from FRAC to Sustainable Forest Management Committee (SFMC); December meeting date; request for interest in chairing committee after resignation of Chair M.O. Harvey.
- November 25/09 draft copy of 2008 Sustainable Forest Management Report for review and discussion. Email was also distributed giving the location of the SFM Report at www.tolkomanitoba.com.
- Meeting notifications, agenda, and minutes of SFMC meetings.
- CSA SFM meeting minutes for February, June, September and December.

Prior to the June 8, 2009 FRAC meeting, ads were placed in the Opasquai Times, Thompson Citizen and Nickel Belt News, Flin Flon Reminder and Natotawin publications seeking public input in the review and revision of the Sustainable Forest Management Plan and inviting interest in learning about the advisory committee.

The following material was mailed out to over 80 people on Tolko's mailing list comprised of Community groups, First Nations and Special Interest groups plus the material was advertised in newspapers located in The Pas, Flin Flon, Snow Lake, Thompson, and Natotawin and Grass Roots publications. Ads were also run on radio stations in The Pas, Flin Flon, Thompson and Native Communications Incorporated (First Nation communities). Posters were placed on community bulletin boards.

- Notices for the June 2009 for community public meetings on the 2010-11 Annual Operating Plan.

The following material was placed on the Tolko Manitoba web site www.tolkomanitoba.com in 2009:

- Upcoming events
- 2008 CSA external audit
- FRAC meeting minutes
- 2009 FMLA FRAC ground rules
- 2007 Forest Management Annual Report
- 2008/09 AOP
- CSA Z809-2002 Standard
- List of public meetings June 2009
- Updated DFA map
- SFM 2008 Indicator Report

A Forestry Newsletter was not completed in 2009.

APPENDIX I

SUMMARY OF 2009 PUBLIC ISSUES AND CONCERNS TABLE

January 1 to December 31, 2009

SUMMARY OF 2009 PUBLIC ISSUES AND CONCERNS TABLE

January 1 to December 31, 2009

Venue	Issue or Question	Company Response	Plan Modification or Operational Direction Provided
January 2009			
Telephone call	Question from member of Kelsey Trail Sno-Riders what plans we had that may impact their trail	Discussed future operation at the Ribs, cutting OF-3 just off the mill site close to snowmobile trail this winter – same access used as last year, cutting north of the Sturgeon Landing Road next summer to the east of snowmobile trail, will be looking at Halfway blocks off the old Lesko Winter Road in the next 2-3 years	Left fringe of non-merchantable vegetation along snowmobile trail to the extent possible, utilized the same trail crossing location as previous year and erected signs to warn truckers and loggers to watch for snowmobilers
Voice mail	Request for new CSA standard	The individual was informed that the standard was revised in 2008. That version was posted on the CSA website for public review (which expired May 6, 2008). That version was no longer available after the end of the review period. The revision as a result of that public review is not expected until the end of March 2009.	Non-applicable
E-mail/phone	Person writing an article about summer employment opportunities in Manitoba wanted information about tree plant jobs	Silviculture forester did a phone interview and also provided contact information for tree plant contractor.	Non-applicable
February, 2009			
February 2 & 4, 2009	Discussions with FRAC member The Federal act (Species at risk act) requires	<ul style="list-style-type: none"> o Clarified that the federal government usually develops the strategic plan. The federal government or the provincial government may develop an action plan. A page from the 	Non-applicable

Telephone call	<p>the company to have a strategic plan for a species before any operations can occur.</p> <p>Request a copy of said management plan to have it reviewed by 2 scientists.</p>	<p>SARA website for requirements of businesses is available. The page had been copied for the Feb 4th meeting.</p> <ul style="list-style-type: none"> ○ We have a management Plan for one herd on our DFA ○ <i>Current response is to get back to member as to whether a copy can to distribute.</i> 	
<p>February 4, 2009</p> <p>Telephone call</p>	<p>Member of the wilderness committee requested information regarding CSA.</p> <ul style="list-style-type: none"> ○ Requested a copy of the CSA standard. ○ How many times a year is the operations reviewed? 	<ul style="list-style-type: none"> ○ Standards are available from the CSA usually at a cost. ○ Clarified that a new standard is to be released at the end of March. The company's current SFM plan was written under the 2002 standard. A copy of this standard was email to the member ○ Clarified that the review under in the inquiry is in regard to the CSA standard. Yes. One audit by third party. One internal audit. Our Advisory committee also reviews the Annual Report. 	Non-applicable
February 26, 2009	<p>Discussions with FRAC member</p> <ul style="list-style-type: none"> ○ Member requested copy of auditor's notes for his interview ○ Re-iterated request for caribou plan for Naosap herd ○ Requested all harvest information for Thompson, Waboden, Moose Lake and High rock ○ Commented that CSA standard states that ○ PAG members should have a copy of the standard ○ PAG members have a right to information (section 5.2) ○ Also discussed was last week Winnipeg Free Press article on Caribou- MC commenting that "numbers are increasing" 	<ul style="list-style-type: none"> ○ Contacted auditor and was told that they do not distribute auditors' even to clients and if PAG member had a concern, there is a procedure ○ Plan was a joint project with Manitoba Conservation and when Tolko contacted MC about distributing the plan, MC requested that the PAG member to contact them regarding the plan ○ Will get back to you on request for harvest information ○ Original FRAC members received a copy of standard. Standard is in the SFM Plan. Also, re-iterated that at last FRAC meeting it was acknowledged that an orientation package for new members was lacking and the next meeting is a training session on the standard 	Non-applicable

March, 2009			
Telephone call	Advised by Manitoba Conservation to contact the trapper operating in the area around the proposed Optic Winter Road and advise him of our plans to open the road	The trapper was contacted on March 16 and had no concerns about our opening up the road	Non-applicable
Conversation on the optic winter road	Met Lucille cabin owner in the am of march 31/09. cabin owner asked what we were constructing.	The person was told that a winter road into petterson lake area was being constructed. Person thanked us for keeping his trail open, and had no problem as it was just a winter road and would be impassible in the spring.	Non-applicable
April, 2009			
Person who owns a cabin on Petterson Lake.	Would like a map of the area for the winter road into Petterson Lake	Person received two aerial photo maps of the location of the winter road (April 8/09)	Non-applicable
Person who wild rices in Optic winter road location area	Person asked if they could have a map of the area being opened up by the Optic winter road	Person received a aerial photo map of the location of the winter road (april/09)	Non-applicable
Member of FRAC committee	A copy of the fire and harvest history for the FML was requested as well as the latest version of the CSA SFM standards.	These were produced and supplied.	Non-applicable
OCN resource board meeting	OCN resource council requested a field tour of proposed harvest areas at Landry lake	5 members of the resource council were taken to see the proposed harvest area and a 14 year cut block in that operating area. Staff discussed buffers, line of site and distance to cover, PHFI and PSP surveys. Regeneration methods and the progress of stand renewal were discussed.	Resource council made recommendations for some additional mitigations, these were incorporated into the harvest strategy and re-submitted to the Resource Council which subsequently made recommendation to Chief and Council to support the proposal
May, 2009			
Citizen	Asked if a water tank on the Buckingham road is of any use as he would like to use it for his cabin.	Phoned a contractor and he said it was his and to have the person phone him as he would give him the tank in return for a favor (pull another trailer to the spur from the back of the road).	Non-applicable

JUNE, 2009			
Border crosser snowmobile club.	<p>They would like to acquire the westarm and corky point roads. They would like for us to keep the culverts in place and inherit the road.</p> <p>Any wood left to cut, and when would the company cut this volume</p>	<p>Phoned representative June 2, 2009 1:15pm. He was told to talk to Manitoba conservation regarding crown land. Any decision made by mc will be addressed. Person was told that there was winter wood on the west side of the road around 2km in on the westarm road at which some point we will be harvesting.</p> <p>Yes there was wood left in the area, and it will be harvested when the market conditions are appropriate to harvest.</p>	Non-applicable
Fax forwarded by Don Aikman.	I had a request from the Setting Lake cottage association to take questions on the upcoming operating year	I spoke to representative and explained that we have no staff in Thompson anymore but that he could go to the AOP meeting in Wabowden June 18 or I could answer his questions now. He was only interested in learning about harvest operations near Setting Lake in order to mitigate any noise conflicts or for firewood salvage opportunities. I explained that under current conditions there would be no harvest in the Thompson area and that would not change until there was a serious improvement in market conditions. (P. Chapman)	Non-applicable
Public consultation questionnaire (The Pas meeting)	Strongly supports closing of all roads as soon as possible. Indicated that presented plans sound OK and session adequately covered all points.		Non-applicable
Public consultation questionnaire (The Pas meeting)	Feels that the public consultation process for AOP approval is desirable but that the Province is the ultimate steward and should be the one to conduct the meetings and inform the public how the decisions were reached in the case of actions that were previously consulted on as part of the Environment License. He indicated that the government is abdicating their responsibility by forcing Tolko to "beg for approval" to do something that was approved in the long term plan.	Replied that his comments would be documented in this public concerns table that would be shared with the FRAC and MC.	Non-applicable

July, 2009			
Telephone call	Request from prospector to have a gate key for south Jonas to access his mineral claims at Radar and Patrick Creek.	Requested he send us a letter from MC district office stating that he had business up the road and we would send him a key. Told him we probably would state some use restrictions to minimize damage to the road bed.	Non-applicable
August, 2009			
August 14/09 at 10:40 am Register trapline person on the Buckingham road	Buckingham gate lock key has been removed by someone and this person bought and replaced the lock on his own. Person would like a key to the new lock when his is replaced, person left their post office box.	We'll replace lock with one of our own, someone will be in touch to let him know about another key to the new lock. Bruce Holmes for Mc in Thompson was notified another lock was placed on the gate.	Non-applicable
September, 2009			
Phone	Citizen called about the FRAC request to put people on to the Web site. He does not have access and wants to keep getting info by hard copy. He has a long term interest in the operations here and greatly appreciates the information he gets from the company. <i>Request noted on current FRAC Interested Citizen mailing list.</i>	Assured him that he would continue to get hard copy.	Non-applicable
In person	Met citizen out at km 32 (built a camp at the end of the road) on the Westarm Road Monday September 21/09, he was happy that the Wabishkok road was decommissioned and felt that what we were doing to the westarm road was good (removing culverts and decommissioning the road)	Road will be decommissioned and to have a safe and fun moose hunt.	Non-applicable
Phone	Flin Flon resident looking for a map for hunting, interested in harvest activities from last winter in the Payuk Lake area for gathering firewood and hunting moose, thought the debris in some areas was a little wasteful	Advised that we don't do maps for hunters but if he wanted to stop in I could show him maps /aerial photos of the area he's interested in, filled him in on approx. areas of PU cuts, location and access, as well as information on our topping requirements and some possible explanations for larger material being left on site	Non-applicable

Phone	Thompson area trapper called about the Buckingham gate, he likes the gate locked to prevent people from accessing his equipment that he leaves up the road. People keep cutting his lock. Right now someone cut his lock and put up one of their own.	We sent a key to the trapper last week. The only people with keys to this new lock are the local NRO'S. and one of our contractors who keeps the culvert flowing I spoke with the area trapper , he should get his key shortly	Non-applicable
Public Consultation Questionnaire (Cormorant meeting)	Citizen enjoyed presentation – well done		Non-applicable
Public Consultation Questionnaire (Moose Lake meeting)	Citizen commented would like to see consultations kept up to date.		Non-applicable
October, 2009			
e-mail forwarded from Vernon	Speleological Society of Manitoba looking for a contact to share information on caves in the Grand Rapids area	Divisional forester offered to be the contact for this. Requested information for field workers to use in identifying important features and offered to present info on SSM activities to SFM committee.	Non-applicable
Phone call/visit	Local entrepreneur was looking for recent aerial photos to use in calculating stand density for a proposed birch tapping operation.	Unfortunately we did not have recent imagery with enough resolution for his needs. We discussed procedure for measuring stand density in field.	Non-applicable
Phone call	Trapper in the Naosap/Peterson area asked for a map of our proposed harvest and access in the Peterson Operating area, he had received an invite to the Peterson Cottager meeting in Cranberry Portage but was unable to attend	A map was printed and mailed to him	Non-applicable
Phone call/meeting	Moose Lake area trapper concerned about the appearance of logging equipment on the Twin Lakes Road, met with 2 concerned trappers and a representative from Moose Lake Loggers 1. marten leave the area when there is too much logging	1. there are leave areas specified in our harvest plans for habitat retention and line-of-sight reduction, there hasn't been much recent harvesting on their traplines with the exception of the Baril fire salvage, the trees don't live forever, they die or burn and a new forest comes in to take its place, we renew all	5. looked extensively for the old portage trail both on the ground and using aerial photographs but was not able to locate it, may have another opportunity in the future as there is some additional access closure work that needs to be done in the area

	<ol style="list-style-type: none"> 2. would like to see more roads closed to prevent outsiders from shooting moose 3. don't want Twin Lakes Road retired as fishermen have improved the road and use it to access East Arm, would like Tolko to erect a gate on this road (like Okaw) and give fishermen a key 4. with future access and harvest in the area between William Lake and East Arm, would like to see this road gated like Okaw 5. there was a portage trail that was lost on the Okaw peninsula when the timber was harvested a few years ago, anything Tolko can do to re-establish it? 6. harvest activities on their trapline is an infringement of treaty rights 7. one fellow has bombardiers that he would like to contract out for winter road construction 8. would like better communication from Tolko 	<p>our harvest areas and monitor them over the first 14 years to ensure they are meeting the Provincial standard</p> <ol style="list-style-type: none"> 2. we do have plans to close some of the roads off of the Crossing Bay Road but so far have been prevented from closing them for one reason or another (dump on Talbot, mining activity on Hargrave) 3. will take this info forward to MC and Tolko mgmt to determine what can be done (discussed with Wally Q.) 4. will likely be a requirement of the road development, will take request forward to Tolko mgmt (discussed with Wally Q.) 5. will have equipment in there decommissioning the road in the next week or 2, may be able to re-establish the portage, will need MC permission, have to discuss with Tolko mgmt (discussed with Wally Q.) 6. I believe that is up to the Province to determine, Tolko would receive direction from them on that 7. not much muskeg to cross this winter and not bad stuff that requires a lot of packing 8. explained the public meeting process, had public meetings in June, added their names to mailing list, they have our phone numbers so they can contact us if they have question or concerns 	No other action has taken place on other items.
November, 2009			
Phone conversation from Trapper in Wabowden area	Wanted to get a key to access his trap line on south Jonas road.	Offered to supply him with a key if he would sign a road use agreement. Key sent by P Chapman	Non-applicable
Call from Regional Forester in Thompson	Mathias Colomb Cree Nation wanted access to timber on crown land for home construction in the area. Forester requested input from Tolko as wood was part of FML area	Sent a letter supporting the community harvest plans.	Non-applicable

Phone call from another trapper in Wabowden	Requesting key to South Jonas for trap line access in Patrick Lake area.	Referred to Jack to send out road use agreement and provide key.	Non-applicable
Phone call from mineral exploration company	Request access to Naosap Road	Provided Tolko road use agreements for signature and clarified that MC would issue them the permit with conditions and monitor to ensure conditions were met	Non-applicable
Phone call from Peterson Lake area trapper	Requested a map and explanation of our proposed harvest operations in the vicinity of his trapline	Mailed him a hard copy ortho photo map with planned harvest, leave and main access indicated	Non-applicable
Phone call from executive member of Kelsey Trail Sno-Riders (KTSR)	Request for map of our operations planned off of the Beach Ridge Road	Plotted map, dropped off at person's residence and explained our plan	Non-applicable
Visit from Peterson Lake cottager	Wanted to hear what the plan was for harvest and access in the Peterson Lake area, requested a map	Discussed harvest and access plan in the Peterson Lake area referring to maps on hand, plotted a map which the cottager came in and picked up on a different day	Non-applicable
Phone call from mineral exploration company	Planning on closing some access points that had been created over the last few years off of the Crossing Bay Road, wanted to ensure that Tolko was agreeable with the proposed closures, e-mailed a map with proposed closures indicated	We would like to partake in a suggested site visit to ensure all parties are clear on the exact locations as the map was unclear on some locations	No further contact has occurred
December, 2009	No concerns or issues.		

APPENDIX II

**Summary of Environmental Incidences
in 2009**

Summary of Environmental Incidences for 2009

TYPE	DATE OF INCIDENT	DESCRIPTION	ROOT CAUSE	MITIGATION AND CORRECTIVE ACTION
Oil spill	December 18, 2009	A hose blew on the Chipper and 200 liters spilled on the ground	Hose worn out and broke.	<p>Because the ground was frozen, the spill was easily contained. Machine was shut down. The crew used chipper debris to soak up the oil and keep it in a small area (approx 8'X 8' area). Environment Operations, Regional Supervisor gave permission to dispose of oil by burning.</p> <p>Followed all procedures regarding reporting and clean up. See attached files regarding disposal of oil spill. Supervisor needs to discuss with contractor possible cause of spill and what can be done to prevent another spill.</p> <p>Prevention for re-occurrence- check hoses daily.</p>
Trespass	October 27, 2009	Amendments to this block in 2009 were not placed in the Tolko filing cabinet, A deal between the government and a area supervisor, who no longer works here, was done in 2009 and no one from Tolko knew about it. The Area supervisor and the government looked over the cut block and decided to make	<p>The area supervisor should did not put the amendmets the government made to this block in Tolko's work permit files or inform the area planner of the change.</p> <p>Root cause appears to</p>	<p>Review this incident with the CSA committee to determine root cause and apply appropriate CAPs. In meantime ensure Work Permits are filed in central file in The Pas office from now on and that there are not any blocks in the system that may have an approved photo with a later date than the one in the central file.</p> <p>Single filing location has been set up and</p>

TYPE	DATE OF INCIDENT	DESCRIPTION	ROOT CAUSE	MITIGATION AND CORRECTIVE ACTION
		<p>changes to the already approved block, On October ,26 2009 I explained to the buncher operators where to cut, I came up with a plan to use the existing road without knocking down any regen, On October 27,2009 I went over to the government building here in The Pas to discuss my plans with the MC forest Technician He liked the plan, The Regional forester looked at our map and said the area we were discussing may not be approved, He pulled out his file which was identical to mine except there was changes made and the area I placed the bunchers was not approved.</p>	<p>be that there were two locations (The Pas and Thompson offices) where WPs could be filed. This worked as long as staff supervised blocks that were located in their district. With the closure of the Thompson office supervisors in The Pas were supervising blocks that were originally permitted from Thompson. Root cause was there was not a single location where up to date permits could be located.</p>	<p>any blocks that were in the transition from past practices have been checked against the permit from the MC file and are current.</p>

APPENDIX III

**Summary of Coarse Woody Debris
Survey Results**

ROADSIDE

# of blocks	Area (ha)	Plots
45	3626.4297	1010
Volume per hectare	Avg	64.46045
	Max	111.5016
	Min	25.20327
	Var	491.5375

AT THE STUMP

# of blocks	Area(Ha)	Plots
23	1059.995686	445
Avg	65.23574912	
Max	110.5572112	
Min	31.48105248	
Var	592.1727823	

COMBINATION

# of blocks	Area(Ha)	Plots
7	307.885	150
Avg	52.37492412	
Max	83.52971161	
Min	32.02701433	
Var	398.4691263	

Sort by Sub-Type:

Summary by sub-type = 13, 14 & 15

BS Dominant

BS 71-100%;BS 40-70% +jp;BS 40-70 +bf & ws

# of blocks	Area (ha)	Plots
38	2862.9667	810
Volume per hectare	Avg	68.1767
	Max	111.5016
	Min	34.62909
	Var	438.191

Summary of Sub-type 13, 14 & 16

BS 71-100%;BS 40-70% +jp;BS 40-70 + tl

# of blocks	Area (ha)	Plots
15	715.7356858	281
Avg	69.77730687	
Max	105.6641492	
Min	35.31598905	
Var	478.3278369	

Summary of Sub-type 13

BS 71-

100%

# of blocks	Area (ha)	Plots
3	86.6916	59
Avg	19.5108	
Max	29.5516	
Min	9.47	
Var	201.6353293	

Summary of Sub-type 06 & 04

Jack Pine Dominant

# of blocks	Area (ha)	Plots
5	640.963	159
Volume per hectare	Avg	43.98088
	Max	75.90153
	Min	25.20327
	Var	421.7682

Summary of Sub-type 06 & 04

# of blocks	Area (ha)	Plots
5	259.99	100
Avg	41.39210765	
Max	50.56825055	
Min	31.48105248	
Var	74.15597438	

Summary of Sub-type 06

&04

# of blocks	Area (ha)	Plots
4	221.1934	91
Avg	55.29835	
Max	80.2934	
Min	32.2	
Var	395.5766776	

Summary by sub-type = other

(44 & 58)

# of blocks	Area (ha)	Plots	
2	122.5	41	
Volume per hectare	Avg	45.05047	
	Max	58.31976	
	Min	31.78117	
	Var	352.1486	

Summary by sub-type = other

(53 & 58)

# of blocks	Area (ha)	Plots	
3	84.27	64	
Avg	81.85648012		
Max	110.5572112		
Min	47.7502847		
Var	1008.091788		

Summary by season of cut

Summary by season of cut = Winter

# of blocks	Area (ha)	Plots	
27	1721.1177	544	
Volume per hectare	Avg	67.02975	
	Max	111.5016	
	Min	34.62909	
	Var	554.8007	

Summary by season of cut = Winter

# of blocks	Area (ha)	Plots	
10	497.71	197	
Avg	70.42002202		
Max	110.5572112		
Min	32.97321741		
Var	759.2609873		

Summary by season of cut = Winter

# of blocks	Area(Ha)	Plots	
7	307.885	150	
Avg	52.37492412		
Max	83.52971161		
Min	32.02701433		
Var	398.4691263		

Summary by season of cut = other

# of blocks	Area (ha)	Plots	
18	1905.312	466	
Volume per hectare	Avg	60.60648	
	Max	101.4772	
	Min	25.20327	
	Var	397.4847	

Summary by season of cut = other

# of blocks	Area (ha)	Plots	
13	562.2856858	248	
Avg	61.03439959		
Max	105.6641492		
Min	31.48105248		
Var	463.1117942		

Summary by - Site Preparation

Summary by - Site Preparation

(7 block= A&C)

# of blocks	Area (ha)	Plots
15	1360.693	343
Volume per hectare		
	Avg	57.27605
	Max	101.4772
	Min	25.20327
	Var	414.5519

Summary by - None

# of blocks	Area (ha)	Plots
30	2265.7367	667
Volume per hectare		
	Avg	68.05264
	Max	111.5016
	Min	27.41904
	Var	505.6059

Summary by - Site Preparation

(8 blocks- A&C)

# of blocks	Area (ha)
11	404.27
Volume per hectare	
	Avg
	Max
	Min
	Var

Summary by - None

# of blocks	Area (ha)
12	655.7256858
Volume per hectare	
	Avg
	Max
	Min
	Var

Summary by - Site Preparation

(A&C)

# of blocks	Area (ha)	Plots
4	188.57	100
Volume per hectare		
	Avg	47.1425
	Max	58
	Min	32.2
	Var	118.0325583

Summary by - None

# of blocks	Area (ha)	Plots
3	119.315	50
Volume per hectare		
	Avg	54.9225
	Max	80.2934
	Min	29.5516
	Var	1287.365134

Summary by Utilization

3 Inch Topping

# of blocks	Area (ha)	Plots	
26	2066.662	577	
Volume per hectare	Avg	63.18947	
	Max	111.5016	
	Min	25.20327	
	Var	474.4218	

4 Inch Topping

# of blocks	Area (ha)	Plots	
15	1069.6377	302	
Volume per hectare	Avg	72.27015	
	Max	111.1081	
	Min	39.0127	
	Var	398.0451	

Chipping

# of blocks	Area (ha)	Plots	
4	490.13	131	
Volume per hectare	Avg	43.4354	
	Max	75.90153	
	Min	27.41904	
	Var	489.7972	

3 Inch Topping

# of blocks	Area (ha)	Plots	
13	593.09	235	
Avg	74.19945124		
Max	110.5572112		
Min	32.97321741		
Var	782.126054		

4 Inch Topping

# of blocks	Area (ha)	Plots	
6	299.6256858	132	
Avg	54.00817757		
Max	68.52818681		
Min	31.48105248		
Var	167.3796529		

Chipping

# of blocks	Area (ha)	Plots	
4	167.28	78	
Avg	52.63691253		
Max	68.04138173		
Min	45.12653597		
Var	110.6394774		

3 Inch Topping

# of blocks	Area(Ha)	Plots	
7	307.885	150	
Avg	52.37492412		
Max	83.52971161		
Min	32.02701433		
Var	398.4691263		