

**Summary of Meeting
Forest Resources Advisory Committee (FMLA-FRAC)
Tolko Forest Management Licence Area
Tolko Woodlands Office
December 12, 2007**

1. Welcome and Agenda

Richard Gibbons, Tolko Forestry Technician, chaired the meeting and welcomed participants. Participants introduced themselves. Attendance is noted on Att. 1.

Proposed meeting agenda was reviewed (Att. #2). No items were added.

2. Minutes of September 26, 2007 FMLA-FRAC Meeting

Minutes as noted above were circulated (Att. #3). No revisions were put forward.

Q&A followed on the mandate and purpose of the FMLA-FRAC. Discussion focused particularly on FMLA-FRAC's current terms of reference, and the current scope of the advisory committee role. Discussion returned to this topic later in the meeting (see item #4).

3. Forest Sector Update

Doug Hunt, Acting Woodlands Manager for Tolko, noted Canada's forest sector continues to be heavily impacted by the high Canadian dollar, high oil prices, and oversupply in certain market segments (e.g. mountain pine beetle wood from B.C.) – this has led to many mills closing or reducing shifts across Canada. 2008 is forecast to be the worst year yet, with cautious predictions of things beginning to turn around sometime in 2009.

Q&A during and following the update focused on the above topics, particularly as they relate to Tolko's operations in The Pas. Other topics discussed include:

- Tolko is currently buying sawlogs from Saskatchewan
- the potential to salvage burned wood from the Baril Lake area
- Tolko's ongoing discussions with Manitoba Conservation about proposed changes to stumpage system

4.

Public Concerns Table September 2007-November 2007

The Public Concerns Table documenting inquiries received from the public about Tolko's operations together with Tolko's responses from September through November 2007 was circulated (Att. 4).

Q&A focused on Tolko's public consultation efforts more generally, particularly the Annual Operating Plan (AOP) meetings held each year in communities on Tolko's license area. Mr. Lee Theriault expressed concerns that minutes from the Wanless meetings were incomplete and/or misleading. Mr. Theriault suggested that changes be made to the CSA (Canadian Standards Association) indicator relating to public consultation, and also that AOP meetings be video and tape recorded.

Further noted that at the September 2007 FMLA-FRAC meeting, Mr. Theriault had asked to make a presentation showing that the Wanless area has been overlogged, and that this request was not noted in the minutes from that meeting. **Mr. Theriault was invited to make this presentation at any upcoming FMLA-FRAC meeting.**

Discussion returned to the current mandate of the FMLA-FRAC, and the current scope of authority for the committee to effect changes to Tolko's operations. Discussion also touched on the current role of the provincial government (specifically Manitoba Conservation) rep on the FMLA-FRAC. Noted that FMLA-FRAC members are responsible for raising community issues. FMLA-FRAC participants were invited to suggest further ways to improve information exchange between Tolko and the communities. Chief Phillip Buck said that minutes from past AOP meetings in Moose Lake also did not document a lot of what was said. Chief Buck asked how the current FMLA-FRAC might be strengthened, or a different committee created with the power to help both the company and the community achieve their goals. Chief Buck added he wanted to gauge the FMLA-FRAC's capacity to support an upgrade to the Moose Lake Road. D. Hunt noted that Tolko supports a safe road through Moose Lake, and suggested that Doug Hunt and Chief Phillip Buck sit down to discuss Moose Lake's concerns.

The potential for local Forest Resource Advisory Committees to be established in all communities where Tolko operates was discussed. Local FRACs already exist in Snow Lake and Sherridon. Mayor Garry Zamzow noted that the FRAC in Snow Lake has been a very positive thing for improving relations between Tolko and the community.

Current methods of advertising and holding AOP meetings were discussed. Chief Buck suggested the following:

- Use flyers, faxes and community radio
- Also reach out to traditional harvesters of non-timber products, and fishermen
- Contact Chairman of Moose Lake Loggers
- Provide refreshments

Chief Buck also suggested that discussion of ways to strengthen communication between Tolko and communities be put on the agenda for the next FMLA-FRAC meeting.

Mayor Zamzow noted that some problems had arisen recently concerning coordination between log haul operations and crews heading to the mine, school buses, etc. in Snow Lake. Snowmobilers in the Snow Lake area are also wondering if Tolko's harvest plans around Reed Lake might affect them. **Mayor Zamzow will provide Tolko with a contact name and number for the snowmobile club.** Doug Hunt said that from Tolko's perspective, there have been some gate breach issues in the Snow Lake area. Discussion followed on the gate on the Crossing Bay Road. Chief Buck suggested that FMLA-FRAC should be looking at the larger issue of public access to logging roads, and that a better understanding is needed with Manitoba Conservation about gates.

Specifically regarding the Public Concerns Table, Buck suggested that when people approach Tolko for a copy of a map for general purposes they should be directed to Manitoba Conservation, and that they should be required to pay for it. D. Hunt agreed that in most cases this should be the way to proceed, except when a request relates directly to Tolko's harvest or renewal plans.

5. Recent SFM and EMS Audits

R. Gibbons circulated a report detailing the results of internal Environmental Management System (EMS) and Sustainable Forest Management Plan (SFM) audits that took place October 2-4, 2007 (Att. 5).

Richard Gibbons then circulated the report that QMI Consultants prepared following its annual audit of Tolko's Sustainable Forest Management (SFM) Plan October 23-27, 2007 (Att. 6).

Two FMLA-FRAC members, Mr. Lee Theriault and Mr. Ron Black, participated in the audit. Black visited the Tolko office and operational sites around Thompson, and gave a brief verbal overview of his experience. Mr. Theriault

gave a brief verbal report of his audit experiences at field sites in the Saskatchewan River Forest Section.

R. Gibbons then highlighted particular sections of the audit report, and general Q&A followed.

R. Black suggested that the government should audit itself, and that there needs to be more effort put into looking how the provincial government and Tolko relate to each other.

R. Black suggested that there should be a help card relating to emergency response for contractors to have with them at all times, or on their machines or spill packs. D. Hunt replied that contractors do have this information.

L. Theriault said FMLA-FRAC members would like to be notified when contractor training meetings are coming up. **D. Hunt replied that Tolko could do that.**

R. Black asked whether, in future, reports and documents to be discussed at upcoming FMLA-FRAC meetings could be circulated ahead of time. **D. Hunt replied that Tolko could look at that.**

6. Presentation by Manitoba Conservation: Riparian Buffer Management Guidelines

Phil Keenan, Industrial Forester/Planner with Manitoba Conservation, gave a presentation on recently released Riparian Buffer Management Guidelines. These science-based Guidelines were prepared by the Forest Practices Committee, a joint government-forest industry group, in an effort to make riparian management practices consistent between jurisdictions.

The Guidelines include a series of dichotomous keys that resource managers can use in determining what kinds of buffers to establish in riparian areas (Att. 7). Using a few different management scenarios, Keenan demonstrated how these keys work.

These Guidelines will be implemented for a period of about 2 years, during which time provincial government Integrated Resource Management Teams (IRMTs) across the province will document all decisions made about riparian buffers. This will be followed by a monitoring period, after which the guidelines will be revised in the form of a guide book, and then put out to full public consultation.

General Q&A followed.

7. Proposed Changes to CSA-SFM Indicators

Richard Gibbons circulated a table showing indicators in Tolko's CSA Sustainable Forest Management (SFM) Plan that the Company is currently considering revising (Att. 8). He then walked through each of the proposed revisions.

He also provided the full text for 2 of these indicators: Indicator 3.1.1.1.5 (Amount and distribution of coarse woody debris), and Indicator 2.1.1.1.1 (Forest cover composition of reforested cutover areas).

General Q&A took place during these overviews. In addition, it was asked whether these documents represented final drafts. Gibbons replied that they were working drafts.

8. 2008 FMLA-FRAC Meeting Schedule

March 19, 2008 – AOP presentation & DU wetland mapping presentation

June 4, 2008 – field trip

September 17, 2008 – SFM Annual Report

December 3, 2008 – audit results