

**Summary of Meeting
Tolko FMLA-FRAC Public Advisory Committee
November 2, 2005
Tolko Woodlands Office**

1. Welcome and Introductions

Doug Hunt, Tolko's Divisional Forester, welcomed those attending the meeting. Participants around the table introduced themselves. Attendance is shown on Attachment 1. Hunt called for any additions to the agenda (Attachment 2); none were put forward.

2. Review of Minutes from May 31, 2005 Meeting

Minutes of the May 31, 2005 Tolko FMLA-FRAC Public Advisory Committee meeting were circulated. Follow-up action taken relative to these minutes is as follows:

- a. Mountain AAC: Forestry Branch, Manitoba Conservation has produced "Wood Supply Analysis Report for Forest Management Unit 13 and 14". This report relates to the Duck Mountain (Unit 13) and Porcupine Mountain (Unit 14) areas. Doug Hunt said the province may use this template for wood supply analysis of the Saskatchewan River Forest Section which could start next year. Fiona Donald, Tolko's Inventory Forester, provided a summary overview of key points in "Wood Supply Analysis Report for Forest Management Unit 13 and 14" (Attachment 3). She explained that the province used two main wood supply modelling programs in the analysis. Q&A followed.
- b. TREE comments: Comments provided by T.R.E.E. (Time to Respect Earth's Ecosystems) relating to Tolko's SFM Plan went out in the package with the May 31, 2005 Tolko FMLA-FRAC Public Advisory Committee meeting minutes.
- c. Thicket Portage debris: Don Aikman, Tolko's northern Area Planner, said fuel drums that a former contractor to Tolko had left on a trapper's trapline have been picked up. Remaining debris will be removed this winter.
- d. Truck haul program: Wally Quiring, Tolko's southern Area Superintendent, was unavailable to present an update. Information on the truck haul program went out in the May 31st, 2005 minutes package. Quiring will present an update at the next FMLA-FRAC meeting.

3. Snow Lake and Sherridon FRAC Updates

Doug Hunt reported that the Sherridon FRAC has not met since late 2004. Tolko would like to harvest some areas near Bess Lake, south of Sherridon. Some of the planned areas were blown down during a summer storm. No harvest operations are currently planned.

Minutes from the Snow Lake FRAC meeting August 17, 2005 were circulated (Attachment 4). Tolko and Foran Mining have been unable to reach agreement on the use of Foran's road in the Woosey Lake area; no harvesting there is planned at this time. Tolko held a public meeting in

Snow Lake on August 24, 2005 to discuss a proposed winter harvest in the Buzz Lake area. Tolko plans to build a winter road into that area in December 2005. A planned herbicide program in the Snow Lake area to address vegetation competition problems has been rolled over to 2006.

Tolko's Silviculture Forester, Paul Chapman, provided an overview of this year's herbicide program on other parts of the license area (total 1700 ha). This is the first year a helicopter has been used to apply herbicide. Chapman said using the helicopter allowed the herbicide to be applied with much greater precision. Using a helicopter also yielded some operational efficiencies, and the units used incorporated innovative environmental safeguards.

Doug Hunt showed digital colour aerial photos that were produced by a forest consulting company on contract to Tolko. The photos permit more accurate interpretation. These photos were used to plan this year's herbicide spray program, and to accurately map last years' harvest areas. The photos will also be used for many other planning purposes.

Doug Hunt provided a brief overview of current log inventory at The Pas mill, U.S. lumber tariffs, the high Canadian dollar, and forest product market preferences as these relate to Tolko's business in Manitoba.

Q&A followed.

4. Review of Public Concerns Table

A table summarizing concerns communicated by the public to Tolko from June 1 through October 31, 2005 was circulated (Attachment 5). The table outlines how the information was communicated to Tolko, the issue or question, and the company's response. Q&A followed.

5. Review of FRAC and Public Mailing Lists

Doug Hunt provided an update on Tolko's ongoing efforts to update and streamline its various mailing lists.

6. Update on Aboriginal Cultural Awareness Session

A summary of the Aboriginal Cultural Awareness Session Tolko held June 1, 2005 was circulated (Attachment 6). All Tolko staff have either attended the session or viewed the tape that was made. Tolko will plan to hold another session in 3 years.

7. FRAC Ground Rules

Operating Ground Rules for the FMLA-FRAC Public Advisory Committee dated February 23, 2005 were circulated. These Ground Rules were distributed to all FRAC members after the February committee meeting. Doug Hunt noted that this draft addresses a previously expressed

concern raised by Ron Spence that the FRAC process not replace community consultation or one-on-one meetings.

8. Presentation on the Tom Lamb Wildlife Management Area

[Background: Once the Saskatchewan River Forest Section inventory is updated, analysis of provincially-designated Areas of Special Interest (ASIs) will begin. The results of such analysis will have an impact on the Saskatchewan River Forest Section AAC.

In an effort to understand the larger issues associated with setting aside ASIs, members of the former CSA Public Advisory Committee had decided to educate themselves about an existing protected area that would be representative of planned ASIs. The committee subsequently chose the Tom Lamb Wildlife Management Area. Bob Uchtmann, formerly a marsh manager with the provincial government and now retired, and Chris Smith, a biologist currently with Ducks Unlimited, were approached to make presentations to the current FMLA-FRAC Public Advisory Committee.]

Uchtmann provided an overview of the history and ecology of the Tom Lamb WMA, and the role the area has played and currently plays in the province's fur industry. He reviewed how, since the 1930s, construction of water control structures, agriculture, hydro development, and uncontrollable hunting have all affected the ecology and animal populations in the Tom Lamb WMA. Uchtmann touched on the influence of Ducks Unlimited over the years, noting how waterworks intended to create optimal marsh habitat have been largely ineffective in the Tom Lamb WMA. Without them, though, Uchtmann said, the impacts would have been much worse. Attachment 7 – copy of Bob Uchtmann's presentation.

Smith explained how the Tom Lamb WMA fits into the larger Saskatchewan River Delta floodplain. He described the SRD's significance in terms of its biodiversity and as a main staging ground for many species of waterfowl and migratory birds. Smith noted that breeding populations in the SRD have dropped significantly in the last 30 years. He referenced the extensive network of hydro dams across the Saskatchewan River watershed, and how this has led to poor drainage and flooding in the Tom Lamb WMA. Smith agreed with Uchtmann's comments that DU's efforts to address water level problems in the Tom Lamb WMA have not been as successful as DU had hoped, but that by doing nothing such problems would be far worse. Attachment 8 – copy Chris Smith's presentation.

9. CSA Sustainable Forest Management Plan Update

Doug Hunt circulated the internal audit of Tolko's SFM Plan conducted September 2005 by a Divisional Forester with Tolko's sister company in High Level, Alberta (Attachment 8). The audit identified opportunities for improvement in two categories: those that must be addressed, and those that are optional to address under the CSA system.

Hunt said Tolko takes the view that all areas of improvement identified in an audit must be addressed. He then discussed the five areas for improvement identified by the internal audit that must be addressed:

1. Quota holders: In the past, it was not clear whether quota holders working on the FML Area were fully aware of the CSA standard. Tolko will work with quota holders to help their operations meet the requirements under the CSA standard.
2. Pre-harvest forest investigations (PHFIs): Tolko wishes to meet its commitment to have PHFIs done for 100% of first-year blocks identified in its Annual Operating Plan. Difficulties in achieving this goal have arisen due to 2nd and 3rd year blocks being moved forward to compensate where 1st year blocks become unavailable during the operating year.

ACTION ITEM: Doug Hunt to draft wording regarding an acceptable variance for PHFIs, and send this around to FMLA-FRAC Public Advisory Committee members.

3. Aboriginal Cultural Awareness Workshop: The audit identified three Tolko staff members that had not had aboriginal cultural awareness training as of the audit date. Tolko has since followed up, and these staff members have received the training.
4. Verification of patches and tree retention: Tolko now has its area planners verifying patches left and manually recording field surveys for number of standing trees left on cutblocks. This information will also be entered into a computerized tracking system Tolko has recently purchased.
5. Alignment between monitoring and measuring components of the SFM Plan, and those presented in the Annual Report: Tolko will review and clean up all such discrepancies.

Hunt noted that the yearly independent third-party audit of the SFM Plan was scheduled for November 8, 9 and 10, 2005, and asked FMLA-FRAC Public Advisory Committee members to consider participating in that audit.

Next meeting: Date and location TBA.