

October 7, 2011

Tracey Braun
Director Environmental Assessment & Licensing Branch
Manitoba Conservation
123 Main Street
Winnipeg, MB, R3C 1A5



Dear Ms. Braun:

I am requesting an extension to our current Environment Act Licence No 2302ER. As indicated in my May 19, 2011 letter to Mr. Dojack, Director of Forestry, Manitoba Conservation, the Company is still unable to develop a new 20 year Forest Management Plan due to the many unresolved land use issues on Forest Management Licence Area No. 2. Please see attached letter for details.

By way of this letter I am requesting Manitoba Conservation grant an extension to our environment licence which is set to expire on January 1, 2012.

Yours truly

A handwritten signature in black ink, appearing to read "D Hunt".

Doug Hunt
Woodlands Manager
Tolko Industries Ltd.

Enc.

Cc: John Dojack

May 19, 2011

Mr. John Dojack
Director of Forestry
Manitoba Conservation
200 Saulteaux Crescent
Winnipeg MB R3J 3W3

Dear Mr. Dojack:

I am writing in response to your letter of April 15, 2011, requesting Tolko to initiate development of a new 20 year forest management plan. As noted in my past letters on this subject (August 28, 2008, and October 26, 2010), too many land use issues still exist that would make it very difficult to complete a long term forest management plan.

Until the various land use issues are resolved I can't support your projected timelines for the completion of a new 20 year plan. More clarity is required around the following land use issues:

1. Proposed Protected Areas – the recent phase 1 and phase 2 proposed protected areas for the Saskatchewan River Delta needs to be resolved. Areas of Special Interest (ASI) such as Cormorant, Karst, Kipahigan, Burntwood, Partridge Crop and Sipiwesk also need to be clarified on their status going forward.
2. Woodland caribou habitat – on going government research has indicated the presence of caribou across large tracts of our Forest Management Licence Area. The impact of caribou on future harvestings plans needs to be addressed well in advance of a new 20 year Forest Management Plan.
3. First Nations – many bands currently exert control over large portions of crown land across the FML Area.

Until there is clarity around these land use issues the company cannot commit to developing a long term forest management plan.

Yours truly



Doug Hunt
Woodlands Manager
Tolko Industries Ltd