

October 16, 2012

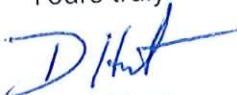
Tracey Braun
Director Environmental Assessment & Licensing Branch
Manitoba Conservation
123 Main Street
Winnipeg, MB, R3C 1A5

Dear Ms. Braun:

To this point in time the Company has found it very difficult to plan future operations due to the many unresolved land use issues on Forest Management Licence Area No. 2. We are working through the issues and to ensure the development of a new 20 year Forest Management Plan is not delayed for an extended period of time, the Company has committed to initiate a long term planning process. We are currently working with the Forestry Branch on developing the terms of reference for a new 20 year Forest Management Plan and through this process a completion date will be set.

By way of this letter I am requesting an extension to our Environment Act Licence No 2302ER, which is set to expire on January 1, 2013.

Yours truly



Doug Hunt
Woodlands Manager
Tolko Industries Ltd.

Cc John Dojack
Dave Bickerton