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Appendix E
Public Involvement Plan

**TOLKO INDUSTRIES LTD.
High Prairie OSB Division**

&

**BUCHANAN LUMBER LTD.
A Division of
Gordon Buchanan Enterprises Ltd.**

Public Involvement Plan

Forest Management Agreement 0200039

Forest Management Agreement 9700033

(Resubmission) **April 4, 2003**

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1.0 INTRODUCTION

1.1 Plan Purpose and Objectives

The Alberta Forest Conservation Strategy outlines a new way of viewing and caring for forests in the Province. It outlines five strategic directions for ensuring the long-term sustainability of ecosystems and economic benefits of the forest. These strategic directions are:

1. Ecological Management;
2. Sustainable Forest Economy;
3. Protected Areas;
4. Range of Management Intensities; and
5. Participation and Partnerships.

The essence of Participation and Partnerships is towards a more effective involvement of forest-based communities in the process of decision making and identification of objectives to ensure that all forest users assume greater responsibility for their actions.

Open Communication is a core company value for both Tolko Industries Ltd. and Buchanan Lumber. We believe that open, constructive, communication will lead to a shared commitment by all parties to achieve the goals of Tolko Industries Ltd., Buchanan Lumber, and the Alberta Forest Conservation Strategy. With participation in the formulation of objectives, stakeholders have the opportunity to work together to accomplish these common goals.

In addition to the corporate commitment to a public involvement process, the Forest Management Agreement mandates a public presentation, participation and review process for proposed forest management activities prior to submission. The companies are required to incorporate their response to concerns raised by the public, quota holders, and permittees. All plans are subject to the review and approval of the Minister of Sustainable Resource Development who may also require the companies to further modify its plans prior to approval.

Public involvement is the process through which people affected by the execution of a plan, and those who have an interest in the outcome, have a chance to influence the decision before it is made. The primary objective of the joint public involvement process is to maintain and enhance the ongoing public communication processes by providing the public with an opportunity to participate in the forest management planning for FMA9700033 and FMA0200039. The process, outlined within this document, will complement the existing decision-making processes. It is primarily a forum for education, communication, and information exchange. Resolution of specific issues will be achieved through an ongoing process of open dialogue and the exchange of relevant information.

This document summarizes the process by which the companies propose to meet its public involvement obligation under the Forest Management Agreements for FMA9700033 and FMA0200039.

1.2 Tolko Industries Ltd.: Corporate Profile

The Company

Tolko Industries Ltd. is a privately owned company founded in 1961 by Mr. Harold Thorlakson. The company has nine manufacturing divisions, four marketing and sales divisions and employs over 2 300 people throughout British Columbia, Alberta and Manitoba. In addition, the company has recently initiated a joint venture in Meadow Lake, Saskatchewan. The Company's Woodlands departments manage approximately 6.8 million hectares of productive forest in Western Canada.

The High Prairie Division OSB Processing Facility

High Prairie Division, Tolko's first OSB (oriented strand board) mill, is a modern manufacturing facility located near High Prairie, Alberta. The mill has a twelve foot wide forming line feeding a 12 opening 12' by 24' press, with a rated capacity of 525 million square feet on a 3/8 inch basis. The mill consumes approximately 850 000 m³ per year of deciduous fibre from public and private land.

The High Prairie Woodlands operating area extends in a radius of approximately 250 kilometres from the mill and provides an annual harvest of up to 850 000 m³ of Trembling Aspen (*Populus tremuloides* Michx.), Balsam Poplar (*Populus balsamifera* L.) and a small component of White Birch (*Betula papyrifera*).

1.3 Buchanan Lumber Ltd.: Corporate Profile

The Company

Arnold Buchanan began the Buchanan Lumber business in 1929 when he purchased and outfitted a small sawmill near McCreary, Manitoba. In 1957 they moved the family operation to Alberta. The first sawmill was located in the forest in an area south of Valleyview, Alberta, while the planer was located in High Prairie. The family recognized the benefits in moving the sawmill to High Prairie to work in conjunction with the planer. In 1959 the Buchanan family purchased the planer and Buchanan Lumber found a permanent home in High Prairie, Alberta.

Buchanan Lumber a Division of Gordon Buchanan Enterprises Limited was formed in High Prairie, Alberta in 1961. Buchanan Lumber owns and operates a dimensional stud mill and finger joint plant. Buchanan Lumber has over 200 employees. The annual production of these facilities is 100,000,000 board feet of dimensional studs, 3,000,000 board feet of finger joint products and 50,000 bone dry unit of pulp chips. The original mill site has seen continual machinery and technological improvements and updates through its 50 plus years of operations.

The Buchanan mill consumes approximately 350 000 m³ per year of coniferous fibre from public and private land. The Annual Allowable Cut for Buchanan Lumber is 250,000 m³. Outside of the Forest Management Agreement area there are four quota areas in which Buchanan currently operates.

At present Buchanan Lumber is completing an 11 million-dollar modernization which will allow for an anticipated 15 percent increase in fiber recovery from its existing wood supply. Through technological advancements the outdated beehive burner has been de-commissioned and a new boiler plant has been constructed. This allows Buchanan to further utilize byproducts of our operations and turn these byproducts into energy for heating our drying kilns as well as certain buildings on the mill site.

2.0 APPROACH TO PUBLIC INVOLVEMENT

Provincial Legislation or policy, the terms and conditions of FMA9700033 and FMA020039, and the associated Terms of Reference or Preliminary Forest Management Plan guide the public involvement process. To ensure that this public involvement plan is an effective tool for communication, Tolko Industries Ltd. and Buchanan Lumber will consult periodically with the Alberta Sustainable Resource Development, Land and Forest Division to clarify:

- Issues of concern and boundaries on the scope of discussion;
- Expectations, measures of performance and feedback procedures;
- Rights and Responsibilities;
- Authority for approval.

An effective Public Involvement program has many elements including communication mechanisms for information dissemination and feedback, indicators of success, methods of resolving disputes and knowledge of the identity of the stakeholders. The companies recognize that public involvement is a dynamic and evolutionary process. It is understood that no single means will suffice for the dissemination of information and the collection of relevant feedback to the process. Tolko Industries Ltd. and Buchanan Lumber therefore, proposes to garner public opinion through several initiatives:

1. Forest Resource Advisory Committee

One of the primary mechanisms for effective implementation of a public involvement program has been the Forest Resource Advisory Committee (FRAC). The FRAC provides a regularly scheduled forum for public education and dialogue. In addition, it also provides guidance on the specification of issues, priorities and scope of discussion.

2. Public Information Meeting

A broad cross-section of the public will be invited to attend periodic information session designed to explain and discuss significant milestones which the Companies have and will achieve, in the information gathering and planning process.

3. Resource User Consultations

Informal, one-on-one meeting with individual stakeholders will be conducted to discuss and resolve unique, site-specific issues of local concern.

4. Public Awareness Campaign

Tolko Industries Ltd. and Buchanan Lumber Ltd. will conduct an ongoing program to promote public awareness of the Companies forest management planning process. Activities will include forestry displays during provincial and civic functions, presentations to specific user groups, public schools, colleges etc. and woodland/mill tours to interested parties.

5. Documentation

Efficacy of the public involvement process, will be determined through continuous monitoring and an annual review of the program.

3.0 FOREST RESOURCE ADVISORY COMMITTEE

A joint Forest Resource Advisory Committee (FRAC) has been established to serve as an ongoing forum where representatives from across the Forest Management Agreement (FMA) areas can share knowledge, interests, views, values and concerns with respect to forest management activities. The FRAC is expected to be a long-term public involvement process. Tolko Industries Ltd. and Buchanan Lumber are firmly committed to effective interaction with the committee.

The FRAC was designed as a consultative forum, which meets five times a year. Meetings will be agenda driven with opportunity for input from all members of the committee. Additional information regarding the operation of the committee is provided in the FRAC Terms of Reference (Appendix I).

The objectives of the FRAC are to:

- Provide committee representatives and members of the public with information on the companies business plans, forest management activities and environmental practices;
- Provide an opportunity for the companies to learn about the diverse interests, values and concerns of committee members and the public as they pertain to forest management activities on the Forest Management Agreement areas;
- Provide an opportunity for the committee to discuss and comment on the diverse interests, values, issues and concerns of the committee members and the general public as they pertain to forest management activities on the Forest Management Agreement areas;
- Provide a forum where the public, via the committee members, can comment on and contribute to the Companies forest management plans and environmental practices;
- Provide a working forum for public participation in the Companies forest management planning and operations consistent with the public involvement obligations under the FMA agreements.

Further guidance to the Forest Resource Advisory Committee, including access to specific expertise, is provided under sections 5 and 9 of the Original FMA9700033 Terms of Reference, and sections 4 and 7 of the Joint FMA0200039 Terms of Reference.

The FRAC was initiated in January 2000. The first two years of the committees operation were dedicated to the following activities:

- Development of a terms of reference to guide the Committee's deliberations;
- Exchange of information concerning the forest management process;
- Development of a process for issue identification and resolution.

Tolko Industries Ltd. and Buchanan Lumber will prepare an annual report of FRAC proceedings to demonstrate a measurable level of activity and performance. The annual FRAC report will describe meeting location, participation and content.

JOINT PUBLIC INVOLVEMENT PLAN

REVISION DATE: APRIL 4, 2003

The following organizations have a delegate to represent each organization’s interests and values concerning planned forest management activities on FMA9700033 and FMA0200039:

1. Representative from County of Birch Hills (1)
2. Representative from Municipal District 130 (Smoky River) (1)
3. Representative from Municipal District 136 (Big Lakes) (1)
4. Representative from Municipal District 16 (Greenview) (1)
5. Representative from Northern Sunrise County (1)
6. Representative from the Alberta Sustainable Resource Development, Land and Forest Division (1)
7. Representative from the Alberta Trappers Association (1)
8. Representative from the employees of the Buchanan Lumber Mill (1)
9. Representative from the employees of the High Prairie OSB Mill (1)
10. Representative from the Lesser Slave Lake Indian Regional Council (1)
11. Representatives from the Metis Settlements (Gift Lake, Peavine, East Prairie) (3)
12. Representative from the Town of High Prairie (1)
13. Representative from the Whitefish Band (1)
14. Representative from Alberta Plywood Ltd. (coniferous Quota Holder) (1)
15. Representatives from Local Advisory Committees located in Valleyview and High Prairie (2)
16. Representatives from the General Public Member – at – Large (2)

As the process evolves, additional members of the community-at-large, as well as representatives from other commercial sectors, may be invited to join the Committee if a need is identified, or if significant changes in the industrial or community landscape warrant their participation.

Table #1. Forest Resource Advisory Committee (FRAC) Membership *(as of Jan 2003).*

Name	Affiliation	Responsibilities
Trevor Barnes	Alberta Trappers Association	Trapper Representative
Albert Quinn	East Prairie Metis Settlement	Metis Representative
Glady Anderson	Gift Lake Metis Settlement	Metis Representative
Iner Gauchier	Peavine Metis Settlement	Metis Representative
Doug Gladue	Whitefish First Nation	First Nation Representative
Laurence Strebchuk	LAC High Prairie	LAC Representative
Florence Niemi	LAC Valleyview	LAC Representative
David Marx	MD of Big Lakes	MD Representative
Charlie Cramer	MD of Greenview	MD Representative
Louis Tokarz	MD of Smoky River	MD Representative
Ed Dziengielewski	Northern Sunrise County	County Representative
Ben Boettcher	County of Birch Hills	County Representative
Leonard Olson	Town of High Prairie	Town Representative
Vacant	Public Member #1	Member at Large
Vacant	Public Member #2	Member at Large
Tom Barrons	Tolko Industries Ltd.	Tolko Mill Employee Representative
Vacant	Buchanan Lumber	Buchanan Mill Employee Representative
Terry Kristoff	Alberta Plywood Ltd.	Alberta Plywood Representative
Kristofer Heemeryck	Alberta Sustainable Resource Development	ASRD Representative
Hilary Wait / Lindsay Banks	Tolko Industries Ltd.	Tolko Representative Meeting Facilitation
Keith Branting/ Kenzie MacDonald	Buchanan Lumber	Buchanan Representative Meeting Facilitation

4.0 PUBLIC INFORMATION MEETINGS

As an element of the forest management planning process, Tolko Industries Ltd. and Buchanan Lumber will periodically hold public information meetings in communities such as High Prairie, Valleyview, and Atikameg¹.

A broad cross-section of the public will be invited to attend, by way of a public notice. Generally, an open house meeting of this type is held in the spring of each year to view the General Development Plan.

The purpose of these meetings is to:

- Inform the public about the specific forest management activities that are planned, by Tolko Industries Ltd., Buchanan Lumber, coniferous quota holders, and permittees on the Forest Management Agreement areas.
- Present results of the companies information gathering and planning activities at significant milestones in the forest inventory and management process.
- Solicit the public's views on the values and objectives for forest management over the Forest Management Agreement areas. Concerns and suggestions will be noted and used as feedback in the management planning process.
- Discuss additional interests and concerns that resource users and the general public may have about these proposed activities.
- Take into consideration stakeholder concerns.

The information brought forward during these meetings will be documented, incorporated to the extent possible, and will form the basis for the companies Detailed Forest Management Plan submission to the Government for both the original and joint Forest Management Areas.

5.0 RESOURCE USER CONSULTATIONS

Throughout the year, Tolko Industries Ltd. and Buchanan Lumber woodlands staff meet informally with special interest groups and individual stakeholders to discuss specific issues of concern. These less formal meetings are viewed as being of key importance since they bring forward specific local knowledge and expertise, and assist in identifying specific areas of concern.

Specific to individual stakeholders, such as trappers, site specific meetings are often accompanied by field trips. These one-on-one meetings are particularly important in developing mitigation methods, which address and resolve specific areas of concern. Information gathered during these meetings and field trips are documented and utilized in the development of site specific plans.

¹ Other communities, may be considered as venues for public meetings should events and interest warrant it.

6.0 PUBLIC AWARENESS

Throughout each year, company woodlands staff have attended a variety of functions to promote public awareness of forestry, forest management and the companies. Tolko Industries Ltd. and Buchanan Lumber are committed to an ongoing program of public awareness, through participation in activities such as the following:

- Forestry displays during:
 - National Forestry Week;
 - Community trade shows;
 - Local civic functions.
- Formal and informal presentations, displays and discussions with:
 - Local primary, junior high and high school groups;
 - Surrounding aboriginal communities;
 - Community college classes.
- On-site tours and presentations, to interested groups, of:
 - Forestry planning and woodlands operations;
 - OSB mill and Sawmill.
- Distribution of corporate newsletters and information bulletins (internally and externally) such as:
 - The Tolko “Circular” & The “OSB Press”;
 - Tolko’ s Corporate “annual report”
 - Tolko’s Sustainability Reports
- Copies of management plans will be made available to the stakeholders at local libraries.
- Support and maintenance of Tolko’s internet web site (www.tolko.com).
- Support and maintenance of Buchanan Lumber’s internet web site (www.telusplanet.net/public/blumber/noframes.htm).

Tolko Industries Ltd. and Buchanan Lumber are also committed to supporting forestry education and public awareness initiatives sponsored by the professional forestry community. Company staff have, and will continue to, participate in a variety of public institutions, forums and advisory committees such as the:

- Alberta Forest Products Association;
- Alberta Research Council (ARC);
- College of Alberta Professional Foresters;
- College of Alberta Professional Forest Technologists;
- Canadian Institute of Forestry;
- Forest Engineering Research Institute of Canada (FERIC);
- Canfor Forest Management Advisory Committee;
- Tolko Industries Ltd./Buchanan Forest Resource Advisory Committee;
- Whitefish First Nation Cooperative Management Committee;
- Lesser Slave Forest Education Society;
- MacKenzie Forest Education Society.

7.0 COMMUNICATIONS WITH GENERAL PUBLIC

Members of the public are invited to contact Tolko Industries Ltd. High Prairie Division directly via the phone (780) 523-2101, fax (780) 523-2204 or Postal Bag 3000, High Prairie, AB, T0G 1E0. Additional information regarding Tolko Industries Ltd. divisions located throughout Western Canada is available on an internet web page (<http://www.tolko.com>) which is maintained by the Corporate office.

Members of the public are invited to contact Buchanan Lumber directly via the phone (780) 523-4544, fax (780) 523-5422 or Postal Box 38, High Prairie, AB, T0G 1E0. Additional information regarding Buchanan Lumber is available on an internet web page (www.telusplanet.net/public/blumber/noframes.htm).

8.0 DISPUTE RESOLUTION PROCESS

For the purpose of this Public Involvement Plan, the term “conflict” shall be defined as opposing viewpoints or opinions of two or more parties involved. When a dispute arises with a member of the public or another land user, Tolko Industries Ltd. and Buchanan Lumber staff will attempt to resolve the concern through the following sequential process:

Step 1) Upon initial contact with the individual or group voicing the issue, specific details regarding the request or concern are identified. The appropriate person within Tolko Industries Ltd. or Buchanan Lumber will be identified and the call or information then transferred to the designated employee. Proceed to step 2 in the process.

Step 2) The designated employee will attempt to respond verbally to the request or concern. If the individual voicing the issue is not satisfied or requires additional information, proceed to step 3 in the process.

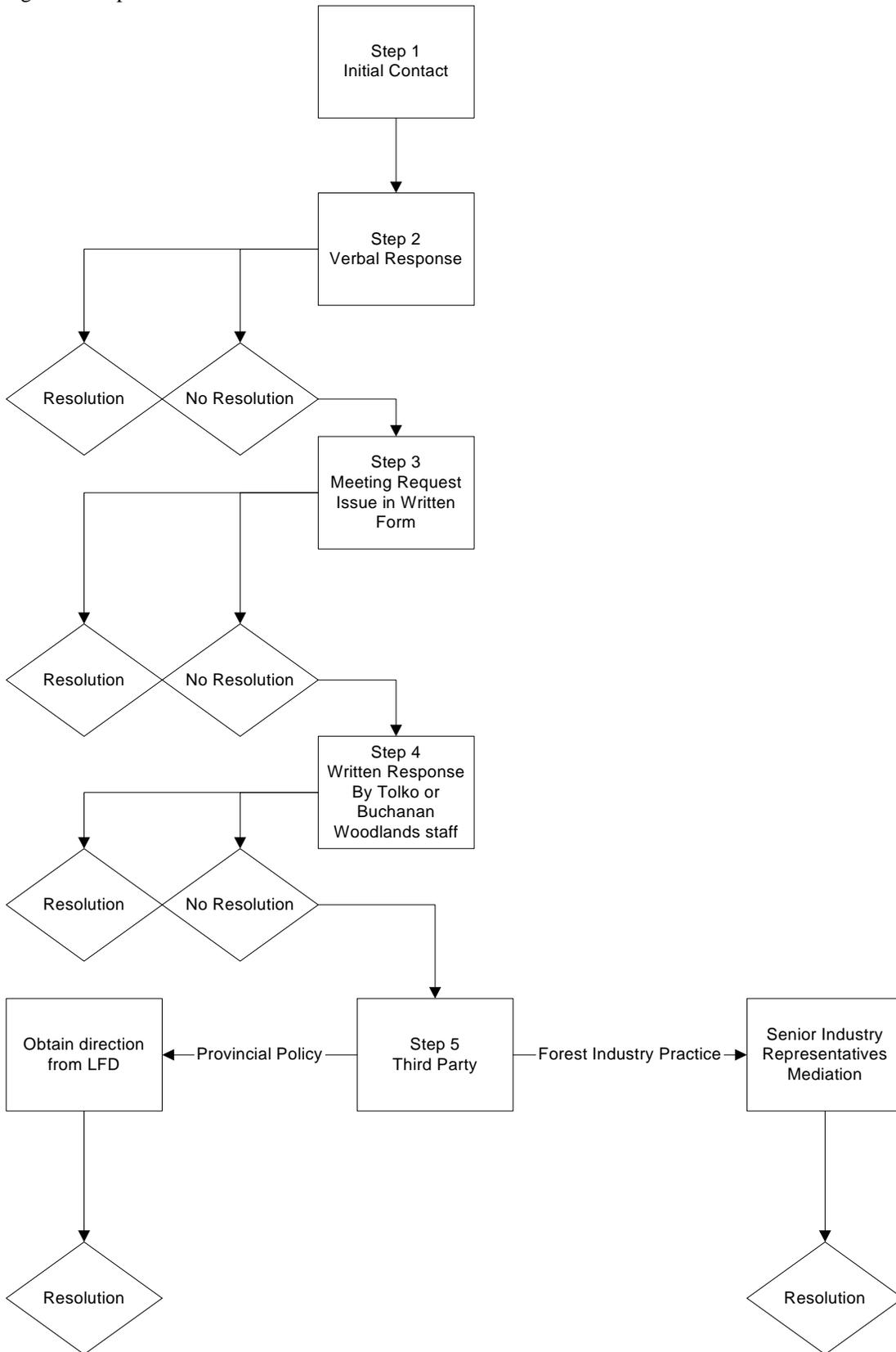
Step 3) An offer is made to meet the person at a convenient location (field or office) to further discuss the issue or obtain additional information. If the individual voicing the issue is not satisfied or requires additional information, the individual is requested to outline their issue in writing. Proceed to step 4 in the process.

Step 4) The designated employee will respond to the individuals request or concern in writing. If the individual voicing the issue is not satisfied or additional information is required, proceed to step 5 in the process.

Step 5) If additional actions are required, the appropriate third party (depending on nature of issue) will be contacted to review the information and assist in working towards a solution of the issue or conclude the dispute. For example the appropriate third party could be one of the following: a senior industry representative, a Government official, an independent mediator, an independent arbitrator, or legal process.

Throughout this process, it must be recognized, that not all disputes can be resolved to the mutual satisfaction of both parties.

Figure 1. Dispute Resolution Process Schematic.



9.0 AUDITING AND PERFORMANCE MEASURES

Both Buchanan Lumber and Tolko Industries Ltd. are committed to responsible stewardship of the environment throughout our operations.

- Due Diligence (i.e. reasonable investigation and review consistent with normal business practice and industry standards) - All of our business activities take into account relevant laws and the legal and moral consequences of our actions. Changes in Provincial policy and legislation will be closely monitored by the companies with a view to a) protecting the Company's and local communities' interests and b) ensuring that forest management activities are consistent with Provincial expectations.
- Internal Woodlands Auditing - Tolko Industries Ltd. has institutionalized an annual woodlands audit process using audit methodology developed jointly with Price Waterhouse. This process includes employee and public involvement. A report is produced for distribution.
- External Woodlands Auditing - Tolko Industries Ltd. and Buchanan plan to participate in the AFPA "ForestCare" process and will cooperate with the Alberta Sustainable Resource Development - Land and Forest Division in regularly scheduled compliance audits.
- Communication - Several publications are prepared on an annual and periodic basis, including "Circular", "Tolko Forest Management Audit Report", and "Tolko Woodlands Annual Report". In addition, our employees are surveyed on a periodic basis to determine their perception of various forest management issues and a summary report is prepared.
- Communication - Companies will solicit comments and questions from the general public through the public awareness campaign, formal public information meetings and through representation by the Forest Resource Advisory Committee.

These processes will continue to be an integral part of the feedback and monitoring element of our public involvement process.

To demonstrate a measurable level of performance concerning public awareness, Tolko Industries Ltd. and Buchanan Lumber will submit an annual report card describing public education activities. The annual report will provide a concise description of location, date, type of event and level of public participation.

In addition, the Annual Operating Plan process demonstrates public involvement via the stakeholder notifications and other resource users consultations.

10.0 CLOSURE

Information obtained during the above public involvement processes will be summarized and brought forward to the planning teams. Upon submission of the Detailed Forest Management Plans to Government, ongoing performance monitoring and communication will be primarily achieved through the auditing and performance measures outlined above and through the Forest Resource Advisory Committee process.

APPENDIX I

Forest Resource Advisory Committee Terms of Reference