

July 24, 2008

**DAISHOWA-MARUBENI INTERNATIONAL LTD.
Peace River Pulp Division**

FINAL HARVEST PLAN

INTRODUCTION

This plan for Operating Area **DTLP160001-Area 2** issued under **DTA160001** covers the operating period from July 15, 2008 to April 30, 2013.

The proposed location of manufacture for deciduous volume harvested under the authority of this plan is the Daishowa-Marubeni International Ltd., Peace River Pulp Mill located near Peace River, Alberta.

Incidental coniferous timber harvested as a result of deciduous harvesting operations, will be directed to Manning Diversified Forest Products (MDFP).

Table 7 of Peace River Pulp Division's (PRPD) 2008 General Development Plan (GDP) summarizes incidental conifer volumes and destination.

This plan is not integrated with MDFP. MDFP is not working in this area at this time.

Upon delivery to the respective mill sites all material will be weigh scaled.

DECIDUOUS PRODUCTION (Quadrant)

CONIFEROUS PRODUCTION (FMA)

Proposed production for this timber year:

Proposed production for this timber year:

Deciduous Dominated Stands: **85,411 m³**
Incidental Deciduous: **0 m³**

Coniferous Dominated Stands: **0 m³**
Incidental Coniferous: **15,784m³**

The deciduous production record is summarized in **Table 1** of PRPD's 2008 GDP.

WOOD OPERATIONS

Deciduous operating conditions and merchantability standards are subject to the MDFP Timber Harvest Planning and Operating Ground Rules, Operating Conditions listed in Section 5 of PRPD's General Development Plan and any additional Operating conditions listed in the Alberta Sustainable Resource Development (ASRD) Letter of Approval.

The coniferous operations and merchantability standards will comply with the MDFP Timber Harvest Planning and Operating Ground Rules and any additional Operating conditions listed in the ASRD Letter of Approval.

ACCESS DEVELOPMENT

Prior to company use of any existing road, pipeline, powerline, wellsite or other disposition held by a third party, the consent of the holder will be obtained.

Reclamation will be concurrent with completion of operations. The access development and reclamation will follow DMI's company's weed control plan.

Licences of Occupation:

Number	Held By	Road Class	Season of operation
LOC800440	Talisman Energy Inc	III	Dry/ frozen
LOC982351	MDFP	III	Dry/ frozen
LOC820345	Talisman Energy Inc	III	Dry/ frozen
LOC5564	MDFP	III	Dry/ frozen
LOC6159	Bonavista	III	Dry/ frozen
Chinghaga Road	B.P. Canada	II	All Weather

Road Construction

Class V Roads

In-block roads will be installed during harvest . The block roads will be reclaimed upon completion of hauling. Road numbers correspond to the block they lead to.

Access Construction:

Road Number	Class	Frozen or Non-frozen	Tenure	Development Required	Reclamation	Company
204	V	Non-Frozen	1 Year	Blade line, Pre-log and stump block roads	Rollback and Piling as required	DMI
210	V	Non-Frozen	1 Year	Blade line, Pre-log and stump block roads	Rollback and Piling as required	DMI
215	V	Non-Frozen	1 Year	Blade line, Pre-log and stump block roads	Rollback and Piling as required	DMI
217	V	Non-Frozen	1 Year	Blade line, Pre-log and stump block roads	Rollback and Piling as required	DMI
218	V	Non-Frozen	1 Year	Blade line, Pre-log and stump block roads	Rollback and Piling as required	DMI
219	V	Non-Frozen	1 Year	Blade line, Pre-log and stump block roads	Rollback and Piling as required	DMI

STREAM CROSSINGS

The table below lists the crossings to be utilized during this timber year. This table does not list crossings that are located on routes held under LOC by DMI or other companies.

The crossings constructed with snow or log fills will be removed after operations are completed.

The crossings listed in this table do not require any approval from Department of Fisheries and Ocean Canada or the Water Management Division of Alberta Environment.

Crossing No.	Structure	Stream Class	Company
202	Culverted logfill	Intermittent	DMI

OPERATIONS

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Within DUA stands every effort will be made to preserve as much understory as possible with the intent of bringing these stands back to a DC standard.

Coniferous harvesting will be mechanized and completed with a feller-buncher, grapple skidder, and delimeter with tree-length haul to the sawmill.

Deciduous harvesting will utilize a Feller-buncher, grapple skidder and a bush chipper hauling chips to the pulp mill.

TRAPPER NOTIFICATION

All Trappers will receive a copy of this Final AOP..

Number	Holder	Contact Date	Method
2031			
1601			

DESIGN CONSIDERATIONS

The design considerations for this Annual Operating Plan have been taken from the Manning Diversified DFMP.

1. Implement a single-pass harvest system that utilizes natural stand boundaries as block boundaries to avoid potential fragmentation of the landbase.
2. Retain area within harvested areas as outlined in MDFP Detailed Forest Management Plan.
3. Design in-block roading that minimize road construction, reclamation requirements, and minimize access throughout the area after harvest.

CUTBLOCK SUMMARY

The cutblock summary is listed below.

Block Number	Total Area (ha)	GPS Retention Area (Ha)	GPS Retention (%)	DEC. VOL. (m ³)	CON. VOL. (m ³)	Inc. Dec	DUA STANDS
204	31.8	0.7	2	6,350	1,275		
210	43.9	2.1	5	8,781	1,589		
215	21.4	0.6	3	4,246	868		
217	15.0	0.5	3	3,671	664		
218	10.9	1.0	8	2,987	649		
219	202.2	4.4	2	59,376	10,739		
Totals	325.2	9.3	3	85,411	15,784		

<u>BLOCK OPENING TABLE</u>	
Block Numbers	Total Area
219	202.2

All of the above blocks are within MDFP's alternative caribou management zone and are being sequenced in a way to help achieve the goals surrounding this area. See attached Caribou Strategy

Detailed block plans will be submitted for blocks over 100 ha before operations commence.

The planned variance for blocks in this plan from the spatial harvest sequence P16_90003 for this Final Harvest Plan is 15%.

RETENTION

Block Group Size Range	Distribution of Structure Retention									
	Block	Area	Laid Out Retention				Retention Prescription**			
< 0.4 ha patches			0.4 to 1 ha	1.1 to 9.9 ha	10+ ha	Up to 100 Residual Trees	0.4 to 1.0 ha	1.1 to 9.9 ha	10+ ha	
< 5 ha										
5 to 9.9 ha										
10 to 59.9 ha										
	204	31.8		0.7				2.5		3.5
	210	43.9			2.1			2.1		4.2
	215	21.4	0.6				0.6			1.2
	217	15.0		0.5						0.8
	218	10.9			1.0					1.0
> 60 ha	219	202.2			4.4				16.2	20.6
		325.2	0.6	1.2	7.5		0.3	0.6	4.6	20.2
							0.3	0.6	4.6	20.2
										30.3

** These numbers may vary from actual. Actual numbers will be supplied in the as-built plans.

BLOCK SEQUENCING

All blocks are located within MDFP's Alternative Caribou Management Area. Refer to attached Caribou Plan.

SLASH DISPOSAL

- Slash disposal, of top and limb accumulation from tree length harvesting and access clearing debris, will be piling and burning.
- Debris disposal from chipping will be spread out along with the tops and limbs from the tree length operations, then piled and burned.

If chipping debris is to be left on site to be disposed of by burning, the Forest Protection Division "Debris Disposal Guidelines" criteria regarding pile size and spacing will be adhered to. DMI will inform ASRD of any debris disposal strategy changes.

HISTORICAL RESOURCE CONSIDERATIONS

This plan's operations will comply with the Alberta Historical Resources Act

UNDERSTORY MANAGEMENT

Any understory encountered during layout and operations within these blocks will be assessed and protection measures implemented as indicated in DMI’s understory protection guidelines.

The inspecting Forest-Officer will be notified of any changes to the understory protection prescriptions.

REFORESTATION PROGRAM

The Reforestation Table below outlines the proposed harvest system, silviculture system (strategy) and reforestation tactic for the blocks to be harvested.

SILVICULTURE STRATEGIES

DISPOSITION	Block	(ha) (0.1 ha)	FROZEN or NONFROZEN HARVEST	Proposed Harvest System	SILVICULTURE SYSTEM	REFORESTATION TACTIC	DUA STANDS
DTLP160001	204	31.8	Non-frozen	Roadside Chipper	Clearcut	Leave For Natural Suckering	
DTLP160001	210	43.9	Non-frozen	Roadside Chipper	Clearcut	Leave For Natural Suckering	
DTLP160001	215	21.4	Non-frozen	Roadside Chipper	Clearcut	Leave For Natural Suckering	
DTLP160001	217	15.0	Non-frozen	Roadside Chipper	Clearcut	Leave For Natural Suckering	
DTLP160001	218	10.9	Non-frozen	Roadside Chipper	Clearcut	Leave For Natural Suckering	
DTLP160001	219	202.2	Non-frozen	Roadside Chipper	Clearcut	Leave For Natural Suckering	
	Total (ha):	325.2					

The Table below outlines pre harvest strata polygons by the four cover types based upon the current Forest Inventory data.

Pre-harvest Landbase

DISPOSITION	Block	Map Inventory Type (pre-harvest)-ha					Declaration
		ha (0.1 ha)	C	CD	DC	D	
DTLP160001	204	31.8	0.0	0.0	1.2	30.6	D
DTLP160001	210	43.9	0.0	0.0	0.0	43.9	D
DTLP160001	215	21.4	0.0	0.6	0.0	20.8	D
DTLP160001	217	15.0	0.0	0.0	0.0	15.0	D
DTLP160001	218	10.9	0.0	0.0	1.5	9.4	D
DTLP160001	219	202.2	0.0	0.0	0.0	202.3	D
Totals		325.2	0.0	0.6	2.7	322.0	

ENDORSEMENT OF FHP BY FMA HOLDER
ENDORSEMENT OF FHP DTLP160001-Area 2:

Both companies have reviewed this FHP.

FHP prepared by:	Reviewed By FMA Holder:
Name: Trina Tosh RPFT 070056	Name: Clarence Budal RPFT#040041
Position: Forest Resources Supervisor - Planning	Position: Woodlands Supervisor of Operations
Signature: _____	Signature: _____
Date:	Date: _____
Daishowa-Marubeni International Ltd. Peace River Pulp Division Postal Bag 6500 Peace River, AB T8S 1V5 (780) 624-7415	Manning Diversified Forest Products Box 370 Manning, AB T0H 2M0

Final Harvest Plan Checklist

Area:	Peace River	Disposition Number:	DTLP160001
Company:	Daishowa Marubeni International Ltd	Date Disposition Issued:	May 1, 2004
Season of Harvest:	Non-Frozen ground	Date Disposition Expires:	April 30, 2024
CTQ/DTA Number:	DTAP160001-Area 2	Submission Date:	July 3, 2008
APPROVAL ITEM			
	Validated by RFP	Yes	
	Deletions and deferrals < 20% of SHS	Yes	
	Area does not exceed 100% SHS	Yes	
	Compartment Assessment Required	No	
	Adheres to all ground rules	Yes	
	Plan signed by imbedded tenure holders		
Administrative Considerations			
Copies of FHP to:			
	-Area Planning Forester	Yes	
	-Forest Officer	Yes	
	-Fish & Wildlife	Yes	
	-Other (MDFP)	Yes	
	FHP consistent with approved higher plans	Yes	
	Required Disposition has been issued and is active	Yes	
FHP complete and legible			
	-maps	Yes	
	-block tables	Yes	
	-reforestation program	Yes	
	-detailed blocks plans where requested	N/A	
	-contingency plans	N/A	
	Copies required as per FMA	Yes	
Utilization			
	Variance reported and summarized for FHP	Yes	
	Utilization standard matches license document	Yes	
	Deviations from utilization standards are identified and justified.	Yes	
Ground Rule Deviations			
	All blocks containing ground rule deviations have been identified. Justification provided for all ground rule deviations.	Yes	
Integration with other Users			
	If plan is not integrated justification is provided.	Yes	
	Recipient of incidental volumes and chargeability is identified.	Yes	
	Trappers have been identified and contacted	Yes	

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CTQ/DTA Number:	DTAP160001-Area 2	Submission Date:	July 3, 2008
	Trapper cabins, trails and other improvements are identified and integrated into plan.	Yes	
	Recreational groups have been identified and contacted where issues have been observed.	N/A	
	GTA completed and grazing disposition holders have been contacted	N/A	
	Historical sites have been identified and integrated into the plan.	Yes	
	Any issues raised by other users or the public has been documented	Yes	
	Potential land use conflicts have been documented and mitigated.	Yes	
Access Management			
	Access management, including control measures have been described and identified.	Yes	
Sensitive Sites			
	Aesthetic/recreation concerns addressed	N/A	
	Water source areas identified and potential impacts mitigated	N/A	
	Permafrost/peat land areas impacted by operations are identified and justified	N/A	
Road Design			
	Location, design and width of corridors have been identified	Yes	
	List of watercourse crossings including crossing type, water classification, map identifier, ect	Yes	
	Crossings not exempt under the Water act are identified	N/A	
	Any proposed permanent access in Caribou zones, Grizzly Bear zones, or ungulate winter range have been identified and justified.	N/A	
	Existing access and LOC's integrated into the road plan are identified	Yes	
	Road reclamation and abandonment plan included	Yes	
	Removal and reclamation of old crossings identified	N/A	

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Wildlife			
	Wildlife zones within the planning area are identified and addressed	Yes	
	Harvest areas with timing restrictions identified. Block sequence may be required.	Yes	
	All known sensitive wildlife sites have been addressed.	N/A	
Insect , Disease and Fire			
	Firesmart tactics are identified and described		
	Known insect and disease infestations are identified and described	Yes	
	Mitigation of infestation, disease or endangered timber described	Yes	
	Debris disposal methods identified	Yes	
Silviculture			
	Watercourse crossings maintained for silviculture purposes are identified	N/A	
	Pre-harvest strata declaration is identified.	Yes	