2010 - 2011

WINTER WEIGHT LOG HAUL AGREEMENT

BETWEEN:

DANZER MALBREN INTERNATIONAL LTD.
PEACE RIVER PULP DIVISION, a body

registered under the laws of the Province of Alberta

(hereinafter called "the Company")

OF THE FIRST PART

and

Her Majesty the Queen in the Right of Alberta, as
represented by the Minister of Transportation
(hereinafter called "the Minister")

OF THE SECOND PART

NOW THEREFORE, the parties agree as follows:

1. Definitions---For the purposes of this agreement:

"Department" means the Department Transportation;

"Winter log haul season" means the winter log haul season determined by the Director under the Commercial Vehicle Dimension and Weight Regulation under the Traffic Safety Act.

"Public roads" means all roads to which the public has access, except for license of occupation and private roads.

2. Conditions

The Company will register all logging trucks hauling winter weights for their mill. This process will include the review of the winter weight permit to verify the maximum weights allowed for that truck.

Prior to a haul, the Company will apply to the Department for permission to use the routes. Upon approval, the routes will be added to the mill's "Dimension / Winter Weight Route Map".

The Company will provide a copy of the colour coded route map to each truck hauling dimension / winter weights into their mill.

3. Weight Monitoring

Companies, which are not using certified weigh scales, will be required to have trucks destined to their mill report to Vehicle Inspection Stations along their routes.

Companies using certified weigh scales are required to monitor and control the weights and dimensions of all trucks hauling into their mills. Trucks destined to their mill are exempt from regular reporting to Vehicle Inspection Stations, provided a suitable "Mill Identifier" is affixed to the truck. Short duration random checks may be conducted by the Department at VIS/MIS/truck pullout sites requiring the reporting of logging trucks. Details of the weight monitoring requirements are outlined in Appendix A. The mill is to:

a) Allocate an inspection site of adequate size and at a safe location for the Transport Officers (T.O.) to conduct log truck inspections.

b) Design and maintain the inspection site in such a manner that a T.O. can utilize their creeper dollies (graded, snow packed, etc.)

c) Provide adequate space within the mill yard to make repairs to units placed out-of-service, prior to their entering a public roadway.

d) Allow T.O. to inspect loaded log trucks as they enter the mill yard, or directly after being weighed, any time of the day, seven days a week.

e) Provide safety orientation to T.O. annually.

f) Provide T.O. access to the mill weigh scales to check vehicle weights.

4. Local Roads

The Company will obtain and maintain permission from the appropriate local authority for carriers transporting logs to the Company to use any roads under the jurisdiction of the local authority. Notwithstanding this permission, these routes are to be identified on the log haul route map or an addendum.

5. Permits

The Department agrees to facilitate the issuance of permits under the Traffic Safety Act for the 2010 - 2011 winter log haul season for vehicle weights and dimensions that are higher than those specified in the regulations under the Traffic Safety Act.

6. Winter Weight Notices

Winter weights will become effective and will terminate as per written notice to the mill by the Department. This notice will be sent to the mill by mail, fax, or e-mail. Removal of winter weights may also be by telephone for those mills which do not have fax capabilities. Posting of the notice on the internet page at the following address will also be considered as official notice.

To find the winter weight notice on the internet, type the following:

http://www.transportation.alberta.ca/Content/docType260/Production/winterweightlist.pdf

7. Records

The Company agrees to provide the information outlined in sections 2 and 3 to the Department in a form acceptable to the Department.

8. Access to Records

The Company agrees to allow access to its records by Department staff and/or its agents for the purpose of verifying the agreement and the weight monitoring.

9. Term

This agreement is for the term of the 2010 - 2011 winter log haul season.

10. Dispute Resolution

In the event of any dispute between the Company and the Department concerning this agreement, the matter will be referred to the Transportation Safety Board and the parties will be bound by the decision of the Board.

11. Binding on successors, etc.

This agreement shall be to the benefit of and be binding upon the parties hereto and their successors and assigns provided that no assignment by the Company shall be binding on the Department without the written consent of the Minister.

IN WITNESS WHEREOF this Agreement has been executed by the parties as of:

Nov 22, 2010

Date

Dom Peace River Pulp Division

COMPANY NAME

SIGNATURE OF AUTHORIZED OFFICIAL

ON BEHALF OF HER MAJESTY THE QUEEN IN THE RIGHT OF ALBERTA:

Dec 8/10

DIRECTOR

Date

TRANSPORT ENGINEERING BRANCH
DEPARTMENT OF TRANSPORTATION