

NAME OF UNDERTAKING:

Proposed Harvest Operating Areas in Forest Management District 11, Mill Pond Area
(2007-AM11-03).

PROPONENT:

- (I) Abitibi-Consolidated Company of Canada, Newfoundland Woodlands
- (II) 7 Mill Road, Grand Falls – Windsor, NL , A2A 2K1
- (III) Woodlands Manager:
Mr. William Furey
(709) 292-3161
- (IV) Principal Contact:
Mr. James Evans, RPF
Manager of Forestry
(709) 292-3167

UNDERTAKING:

Abitibi-Consolidated Company of Canada is proposing to harvest a total of approximately 66,000 – 100,000 cubic meters of Pre-Commercial Thinned (PCT) areas, representing approximately 660 hectares. The projected volume of harvest depends on the actual volume/hectare achieved in a PCT stand, which in this area, we are predicting from 100 – 150 m³ / hectare. This proposed harvest (outlined by the black boundary on attached map) is outside the current five-year operating plan for Forest Management District 11, and upon proper approvals, will be scheduled for harvest during the summer / fall of 2007.

Abitibi-Consolidated has conducted Pre-Commercial Thinning activity throughout its limits since the late 1970's. A goal of conducting PCT Activity is to reduce rotation age and increase growth yield as compared to a naturally regenerating stand. At this time, in conjunction with the Department of Natural Resources, operational trials will be scheduled in PCT areas around Mill Pond in Forest Management District 11. The purpose of these operational trials is to determine: stand health & productivity, harvesting productivity, & conduct a cost benefit analysis of conducting PCT operations.

To adequately access this area, Newfoundland Woodlands is also proposing to upgrade approximately 2.0 kilometers of existing road. This is the last year of the current five-year operating plan for Forest Management District 11. Currently, we are in the process of developing a new five-year plan for the period 2008-2012. Therefore, approval of this amendment would also provide an adequate supply of raw material allowing contracting operations to continue around our Black Duck Camp operations for the summer / fall 2007, until a new plan commences in 2008.

DESCRIPTION OF UNDERTAKING:

The proposed harvest area is comprised of mature forest; consisting of approximately 5% Black Spruce and 95% Balsam Fir. As indicated on the attached map, the proposed harvest area is located within Forest Management District 11 on Topographic Map 074 (12 A/16).

All conditions associated with the Environmental Protection Guidelines for Ecologically based forest resource management will be strictly followed. During harvest operation, all fuels will be stored in approved tanks and kept a minimum of 100 meters from any waterbody. 20-meter riparian zones will be located around all ponds and streams located within the proposed harvest area. There will also be an Environmental Response Kit located near the worksite during all operational phases. As well, under its Forest Environmental Management System (FEMS), which is registered to the ISO 14001 Standard, dedicated Environmental Awareness and proper operating procedures have been delivered to all associated employees involved in various activity such as: road construction, culvert / bridge installation, fuel handling and emergency response.

Operational occupations associated with proposal include:

8 Mechanical Harvester Operators	2 Excavator Operators	2 Field Technicians
4 Truck Drivers	1 Production Foremen	1 Planning Forester
4 Forwarder Operators	1 Logging Superintendent	1 Manager of Forestry
1 Supervisor of Silviculture	1 GIS Coordinator	

As well, various Department of Natural Resources (DNR) & Canadian Forest Service (CFS) staff

APPROVAL OF THE UNDERTAKING:

Abitibi-Consolidated Company of Canada, Newfoundland Woodlands, will obtain proper stream crossing approvals from the Department of Fisheries & Oceans, Department of Environment (Water Resources Division), and if required Transport Canada (Navigable Waters Protection Act), for all water crossings identified on a 1:50,000 Topographic map, or streams that are greater than one meter in width. Where applicable during short harvest seasons, portable bridges will be utilized.

A copy of this proposal has been sent to the Department of Natural Resources (Forest Management District 11) in Bishop Falls for inclusion into Abitibi-Consolidated's Annual Work Schedule for 2007, when released from further Environmental Assessment.

SCHEDULE:

It is anticipated that the construction of roads and subsequent harvest would commence on or near June 30, 2007.