

NAME OF UNDERTAKING:

Proposed Harvest Operating Areas in Forest Management District 12, Harpoon Area
(2007-AM12-03).

PROPOSER:

- (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. Donald Brain, RPF
Superintendent of Forestry & Continuous Improvement
(709) 292-3371

UNDERTAKING:

Abitibi-Consolidated Company of Canada is proposing to harvest a total of approximately 39, 600 cubic meters of mature to over-mature timber, representing approximately 300 hectares. This proposed harvest is outside the current five-year operating plan for Forest Management District 12 and upon proper approvals, will be scheduled for harvest during the summer / fall of 2007. To adequately access the merchantable timber within this area, Newfoundland Woodlands is also proposing to construct a total approximately 7.0 Kilometers of new operational road, and upgrade approximately 1.0 kilometer of existing road.

This is the last year of the current five-year operating plan for Forest Management District 12. Currently, we are in the process of developing a new five-year plan for the period 2008-2012. Therefore, the purpose of this amendment is to provide an adequate supply of raw material allowing contracting operations to continue in the Harpoon area 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 90% Black Spruce and 10% Balsam Fir. As indicated on the attached map, the proposed harvest area is located within Forest Management District 12 on Topographic Maps 12 A/10 & 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

4 Truck Drivers

4 Forwarder Operators

2 Excavator Operators

1 Production Foremen

1 Logging Superintendent

2 Field Technicians

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 12) in Springdale 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 05, 2007.