

Footner Forest Products

Footner has constructed a world-class oriented strand board (OSB) facility south of High Level Alberta and at full capacity will consume 1.3 million cubic metres of aspen per year, and produce 880 million square feet (3/8" basis) of OSB annually.

Footner Forest Products is a joint venture between Ainsworth Lumber Co. Ltd. and Grant Forest Products Corp. The company is jointly responsible for forest management of these public lands through long-term plans and agreements with the Alberta Provincial Government.

Footner holds a joint Forest Management Agreement (FMA) with Tolko Forest Industries for an area of more than 3.5 million hectares in northwestern Alberta surrounding the community of High Level. The joint FMA is located south of the Northwest Territories border, east of the British Columbia border, west of Jean D'or Prairie and north of La Crete. The forested land managed by Footner is in the northern boreal forest and the terrain is flat.

In addition to the timber supply from the FMA, Footner has long-term Volume Supply Agreements with local aboriginal groups, and sources timber from private suppliers.

Footner has constructed a world-class oriented strand board (OSB) facility just south of High Level. The mill went into production in late 2000. When it reaches full capacity, the mill will consume 1.3 million cubic metres of aspen per year, and will produce 880 million square feet (3/8" basis) of OSB annually.

Forest Management

Forest management in Alberta is governed by the Forest Act and associated regulations, as well as

by legislation applicable to industrial operations on public lands.

Footner is committed to the principles of ecosystem management as defined in the Alberta Forest Legacy Document. The company submitted a joint Detailed Forest Management Plan (DFMP) in June of 2002. The DFMP is a strategic level forest management planning document that, once approved, directs the joint FMA holders forest management activities. Footner also submits operational forest management plans in the form of a GDP and AOP.

Harvesting and Silvicultural Systems

Footner's harvest practices adhere to provincial and regional ground rules. Silvicultural systems involve modified clearcut harvesting with tree retention in many areas, and a strip-shelterwood in areas that contain an understory of healthy white spruce. Harvesting takes place mainly in the winter due to the high percentage of wetland versus upland area in the Footner Forest.

Reforestation

At Footner, deciduous timber reforestation relies mainly on natural regeneration because of the natural ability of the harvested deciduous species to regenerate the harvested area by root suckering and coppicing. Footner will undertake silvicultural research to determine optimum reforestation techniques.

Volume Supply Agreements

Footner has established productive working relationships with local aboriginal groups to foster local employment and business development. Footner has secured 20-year renewable deciduous timber Volume Supply Agreements (VSAs) with the following groups: Little Red River Cree Nation; Tall Cree First Nation; Dene Tha' First Nation; Paddle Prairie Métis Settlement. These groups manage or have timber harvest rights to lands that have sustainably-managed deciduous timber supplies.

Stewardship Initiatives

Footner Forest Products is a member of the Alberta Forest Products Association and can pursue Forest Care mutual recognition certification under the AF&PA SFI program. As a first step towards certification, Footner is currently establishing an Environmental Management System (EMS).

Footner is establishing a Sustainable Resource Management Fund (SRMF) that will be funded by the company on an annual basis of \$0.25/m² of Crown timber harvested. The SRMF's purpose is to enhance the integration of the harvest of deciduous timber with other forest resources and values on the forested landscape through inventory, research, and strategic and operational planning. ■