

October 28, 2008

Minister of Forests and Range c/o Bill Warner Regional Executive Director Ministry of Forests and Range Northern Interior Region 1011-4th Avenue Prince George, BC V2L 3H9 Minister of Environment c/o Maurice Lirette Regional Manager Ministry of Environment Room 400,10003-110 Avenue Fort St. John, B.C. V1J 6M7

Dear Ministers:

RE: Fort St. John Pilot Project Annual Report

Pursuant to section 51 of the Fort St. John Pilot Project Regulation (FSJPPR), please find enclosed the 2007-2008 Regulatory and CSA Annual Report of the participants in the Fort St. John Pilot Project.

This annual report summarizes activities between April 1, 2007 and March 31, 2008 by BC Timber Sales, as well as activities on tenures held by the other participants, Canadian Forest Products Ltd. (FL A18154 and PA 12), Cameron River Logging Ltd (FL A59959), Tembec (FL A60972), Louisiana-Pacific Canada Ltd.(FL A60049 and FL A60050), and Dunne-za Economic Development Corporation (FL A56671, held jointly with Canfor).

The report addresses both the regulatory requirements of the FSJPPR, and the certification requirements of the CSA Z809-2 standard in one document to streamline administration and costs, which was one of the objectives of the pilot project. The sections of this report that address the legal requirements of the FSJPPR are identified in the index, as well as throughout the report, in red text, in order to facilitate administrative review.

If you have any questions pertaining to this Annual Report please contact the undersigned at 250-787-3613.

On behalf of the Participants,

Daniel Menzies

David Menzies RPF Forestry Manager Peace-Liard Woodlands Canadian Forest Products Ltd.

cc: District Manager BCMOFR, 9000-17th Street Dawson Creek BC V1G 4A4 cc: KPMG 777 Dunsmuir Street PO Box 10426 Vancouver BC V7Y 1K3

