

Bureau de TÉMISCAMING TÉMISCAMING Office

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Ms. Tracy Braun

Director of Environmental Assessment and Licensing Manitoba Conservation 123 Main Street, Suite 160 Winnipeg, Manitoba R3C 1A5

Dear Ms. Braun: December 21, 2010

Re: Environment License Act 1557 E R Extension

As you are aware, Tembec idled its Pine Falls Newsprint facility in September, 2009. In December of that year, the Company indicated that it would be exiting production of newsprint at that site and that it would be endeavouring to find a successor owner for the site. Unfortunately, that effort was not successful and the permanent closure of that facility was announced in August.

Since August, we have also been actively working on options to dispose of close to 130,000 m3 of material mainly located on FML 01 which was related to previous years harvest operating plans. Discussions have been completed with Forestry Branch to grant approval to move the wood to various customers and they have had common interest to ensure the wood is moved.

To date, we have been moving wood from the Pine Creek stock pile and will be moving to access timber in Beaver Creek shortly. As part of accessing Beaver Creek, we will be delivering up to 4,000 m3 to four First Nation communities for firewood purposes.

The intent is to move all volume from the various stock piles or road locations before December 31, 2011 as agreed with Forestry Branch.

Therefore as indicated in your November 10, 2010 letter to Andy McCuaig, we are requesting an extension of Environment Act License No. 1557 E R to complete activities to move wood from the FML 01.

If you or your staff requires additional information, please do not hesitate to contact me at (819)-627-4879 or Bob Durocher at (204)-367-5226.

Sincerely,

Jason Linkewich, FCMA

Vice-President - Fibre Supply Strategy

cc: Tembec – Bob Durocher

John Dojack Elise Dagdick