

January 3, 2012

To: All FMA and Quota Holders

Re: **General Rates of Timber January 2012**

This letter is notice of Crown Timber and Forest Resource Improvement Association of Alberta (FRIAA) dues for timber that is used or will be used to make lumber, pulp or roundwood timber products as established in the Timber Management Regulation and the Forest Resource Improvement Regulation. Please submit your timber returns for the period January 1 to January 31, 2012 using the following rates:

Timber Dues Type	For Sales under 107 296 m ³ of Roundwood (\$/m ³)	For Sales over 107 296 m ³ of Roundwood (\$/m ³)
Crown Timber Dues	1.90	1.90
FRIAA Dues	0.00	0.00
Total Dues	1.90	1.90

For payment of FRIAA dues make your cheques payable to the *Forest Resource Improvement Association of Alberta*. This payment is to be mailed to:

Forest Resource Improvement Association of Alberta
Box 11094, Main Post Office
Edmonton, Alberta T5J 3K4

The **Crown Timber Dues** are payable to the **Minister of Finance**. Please be sure only to pay the net timber dues to the Minister of Finance. For the month of January 2012, these net timber dues are **\$1.90** per cubic meter for sales under 107 296 m³ and **\$1.90** per cubic meter for sales over 107 296 m³. These payments may be made by sending your cheque and timber return to:

Alberta Sustainable Resource Development
9945 - 108 Street
Edmonton, Alberta T5K 2G6

.../2

These rates have been calculated in accordance with the Timber Management Regulation and the Forest Resource Improvement Regulation. The following table shows the determination of the average price of lumber used to determine dues payable in Schedule 3 of the Timber Management Regulation:

Week Ending	Exchange Rate \$US/C	Random Lengths Price \$US/Mfbm	Price \$C/Mfbm
9-Dec-11	0.9851	239.00	242.61
16-Dec-11	0.9673	245.00	253.28
23-Dec-11	0.9736	256.00	262.94
30-Dec-11	0.9800	261.00	266.33
Average			256.29

The following table is provided for your information. It shows the historical summary of the Crown Timber dues and FRIAA dues since December 2010:

Payment Period	For the first 107 296 m ³ of log equivalent volume sold			For lumber sold over 107 296 m ³ of log equivalent volume sold		
	Net Crown Dues (\$/m ³)	Net FRIAA Dues (\$/m ³)	Total Dues (\$/m ³)	Net Crown Dues (\$/m ³)	Net FRIAA Dues (\$/m ³)	Total Dues (\$/m ³)
Dec-10	1.90	0.00	1.90	1.90	0.00	1.90
Jan-11	1.90	0.00	1.90	1.90	0.00	1.90
Feb-11	1.90	0.00	1.90	1.90	0.00	1.90
Mar-11	1.90	0.00	1.90	1.90	0.00	1.90
Apr-11	1.90	0.00	1.90	1.90	0.00	1.90
May-11	1.90	0.00	1.90	1.90	0.00	1.90
Jun-11	1.90	0.00	1.90	1.90	0.00	1.90
Jul-11	1.90	0.00	1.90	1.90	0.00	1.90
Aug-11	1.90	0.00	1.90	1.90	0.00	1.90
Sep-11	1.90	0.00	1.90	1.90	0.00	1.90
Oct-11	1.90	0.00	1.90	1.90	0.00	1.90
Nov-11	1.90	0.00	1.90	1.90	0.00	1.90
Dec-11	1.90	0.00	1.90	1.90	0.00	1.90

If you have any questions or concerns, please call Hid Kanji at 780-422-0330.

Original signed by:

Hid Kanji
Senior Financial Advisor