PRICEWATERHOUSECOOPERS

FOREST INVESTMENT ACCOUNT

FORESTS FOR TOMORROW UPDATE – April 9, 2009

Transition of FFT Administration from PwC to the MFR

The following update has been sent on behalf of the Ministry of Forests ("MFR") by PricewaterhouseCoopers LLP ("PwC") to advise Recipients of the updates in regards to the transition of the Forests for Tomorrow ("FFT") administration from PwC to the MFR.

2008/09 Projects

PwC is currently completing last fiscal year's administrative work and will also complete the performance and financial audits of the 2008/09 projects.

2009/10 Projects

PwC will review, approve and manage the funding for spring planting projects, including any related mechanical site preparation or road work completion. This will also pertain to projects submitted before June 2nd for works which must start as soon as possible for continuing operations and preparation for summer field activities.

MFR will immediately assume responsibility for monitoring and auditing of all 2009/10 projects.

MFR will review, approve and manage the funding for all projects submitted after June 2, 2009.

PwC will continue the management of funding and reporting for spring planting and related projects until project completion for all projects approved prior to June 2, 2009 under the agreement clauses that survive post termination. **The spring planting projects must have all completion reporting finished by July 15, 2009.** PwC will contact the Recipients to finalize this requirement in order to ensure final payments on these projects.

Project Submissions

It is anticipated that PwC will receive interim investment schedule allocations from the MFR in the next few days. Initial project approvals will be limited to activities that are required to ensure that the 2009 planting projects proceed. It is anticipated that the MFR will provide direction on the scope of additional projects outside of spring planting that can be approved by April 10, 2009. As per John McClarnon's e-mail to recipients dated April 7, 2009, the MFR has confirmed that funding is available to cover all essential reasonable costs associated with the 2009 planting season that must be incurred right now in order to meet planting windows. Please minimize expenditures to these criteria prior to project approval.

Please call PwC's Investment Management team at (604) 484-3490 if you have any questions or need further clarification in regards to any aspect of this update or the FFT program.