



Project No. 011643-05

July 17, 2007

Mr. Faron Knott
CORNER BROOK PULP AND PAPER LIMITED
Woodland Operations
Mill Road
P.O. Box 2001
Corner Brook, Newfoundland & Labrador
CAN, A2H 6J4

SUBJECT: REGISTRATION PROGRAM

Dear Faron,

Please find attached the Audit Report raised as a result of our Re-Assessment Audit of your management system to the ISO 14001:2004 standard conducted in your Corner Brook facility on July 09, 2007.

We thank you and your organization for the support and co-operation given during the audit.

A handwritten signature in black ink, appearing to read 'Guillaume Gignac', is written over a light grey circular stamp.

Best Regards,

Guillaume Gignac
QMI Team Leader
Encls.

QMI Confidential



Accreditation number No.19/06
Validity of the accreditation
from 2007/01/16 to the
expiration date 2011/01/15

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MANAGEMENT SYSTEM AUDIT REPORT

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REPORT DISTRIBUTION

CORNER BROOK PULP AND PAPER LIMITED
QMI File
Guillaume Gignac

Statement of Confidentiality

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SECTION 1 - COMPANY INFORMATION

Company Name: CORNER BROOK PULP AND PAPER LIMITED
Address: Mill Road
P.O. Box 2001
Corner Brook, Newfoundland & Labrador
CAN, A2H 6J4
Client No.: 011643
Contact Person: Mr. Faron Knott
Title: Environmental Management Representative

SECTION 2 - RESULTS OF DOCUMENT REVIEW

Audit Standard: ISO 14001:2004
US SIC / NACE Codes: 0811 0851 2411 / A02.0 A02.0 DD20.1

Scope of Registration

The Environmental Management System as it applies to all Woodlands operations on Corner Brook Pulp and Paper Limited Defined (Forest Management Districts No. 5,6,8,9,14,15,15 and 17) including management planning, road construction and maintenance, harvesting operations, transportation of fibre, silviculture and support services.



SECTION 3 - AUDIT DETAILS

Type of Audit: Re-Assessment Audit
Audit Dates: July 09, 2007 to July 12, 2007
Duration of Audit: **Person(s):** 3 **Day(s):** 4 (integrated with CSA Z809-2002)

Audit Team

<u>Position</u>	<u>Name</u>
Team Leader	Guillaume Gignac, EMS (LA)
Team Member	Sylvain Frappier, EMS (LA)
Team Member	François Grimard, EMS (LA)

Purpose and Scope of this audit

To evaluate the suitability, adequacy and effectiveness of the organization's Management System in meeting the requirements of the ISO 14001:2004 standard and the company's Management System Documentation, for the declared scope of registration.

Audit Coverage

The audit activities covered all of the organizational and functional units or processes and activities as identified in the Audit Plan.

Dependency Note

Not Applicable

Issue/Revision status of the Manual (documented system)

Manual Rev: Manual as of July 9, 2007



Statutory and Regulatory Requirements Referenced

Federal, Provincial and Municipal laws and regulations

Opening Meeting

The Opening meeting, where the scope and the method of performing the audit were explained, was attended by the persons listed in the Meeting Attendees form, which is maintained on file at QMI.

Closing Meeting

The persons listed in the Meeting Attendees form attended a Closing meeting.

SECTION 4 - AUDIT FINDINGS

All of the applicable requirements of the ISO 14001:2004 were audited and considered to be adequately implemented with the exception of the non-conformances identified below.

Non-Conformances (NCR's):

No non-conformances were raised.

Status of any previously recorded non-conformances (NCR's), OFI or system weaknesses.

No previously recorded NCR's and outstanding OFI and system weaknesses were dealt with.

Positive Aspects of the Management System:

- Good knowledge of EMS and CSA SFM at the supervisory level and above. Field employees are comfortable with EMS concepts and how they apply to their jobs.
- The Pre-work form is a good tool that allows the contractor to be informed about site specific conditions.
- Excellent bridge construction method used and good monitoring of water quality before and after bridge construction.
- General organization and cleanliness of service trailer sites.
- Very thorough management review and excellent tool used for tracking agenda items.



Effectiveness of the Internal Audit System:

The annual audits were performed according to the procedure in verifying the effectiveness of the management system.

Opportunities for Improvement

Recommendations:

- Consider using moss for better stabilization when installing culverts.
- Ensure that culverts are not too long to prevent water turbulence and erosion.
- Consider using on operational roads a similar method used for capital roads to calculate the culvert size.
- Consider reviewing the concept of wildlife and snag trees with staff and contractors.
- Consider reviewing the process to raise the level of awareness for the environmental policy at the woods worker level.
- Consider reviewing work instruction EW1-2 to include more detailed specifications for the maintenance of mobile fuel tanks.
- Consider reviewing work instruction EW-6 on soil disturbance to reduce the number of extraction trails on harvesting sites.
- Consider adding to the big spill kits a list of material required and consider sealing the kits to ensure that the proper material is available in case of an emergency.
- Consider integrating the SOPs and EWIs.
- Consider using the “environmental incident investigation log” to report CARs raised by DNR.
- Consider making the compliance report more self explanatory on which activities were audited and where.

System Weakness:

- 4.4.2 / 7.4.2 Review the process to ensure the training database is updated to reflect the most current job classification and to ensure that staff and contractors receive proper training in a timely manner.
- 4.4.6 / 7.4.6 Ensure that the work instruction EW1 -5 for culvert installation is properly followed. (e.g. Mic Mac East, Canning Brook, Glide Lake) and, ensure that chainsaw oil & gas containers are not left within the 30 m buffer zone and that pulpwood and logs are not piled close to streams within the 30 m buffer zone.



- 4.4.7 / 7.4.7 Review the process to ensure that fire extinguishers required are on site and accessible.
 - Fire extinguisher on harvester in Black Lake area not accessible
 - Fire extinguisher in pick up truck with a 470 l fuel tank missing
 - Fire extinguisher on logging truck with missing

Please note that these Opportunities for Improvement will be reviewed as part of the preparation for the next audit.

Conclusion

Based on the review of the company's Management System documentation, and the audit results, the following recommendation is made:

Re-Assessment:

The results of the Re-assessment including the review of the performance of the CORNER BROOK PULP AND PAPER LIMITED Management System over the past 6 years and the Re-assessment Audit, indicate that CORNER BROOK PULP AND PAPER LIMITED's Management System meets the following criteria for maintenance of registration to ISO 14001:2004.

An effective inter-action exists between all elements of the management system;
The entire management system is effective in light of any changes
Top management has demonstrated a commitment to maintain the effectiveness of the system

Next Scheduled Audit: July 07, 2008

Date(s): July 07, 2008 to July 10, 2008

Type of Audit: 12 Month Surveillance Audit

No. of Persons: 2

No. of Audit Days Required: 4

A handwritten signature in black ink, appearing to read 'Guillaume Gignac'.

Guillaume Gignac
QMI Team Leader

Date: 07/17/2007