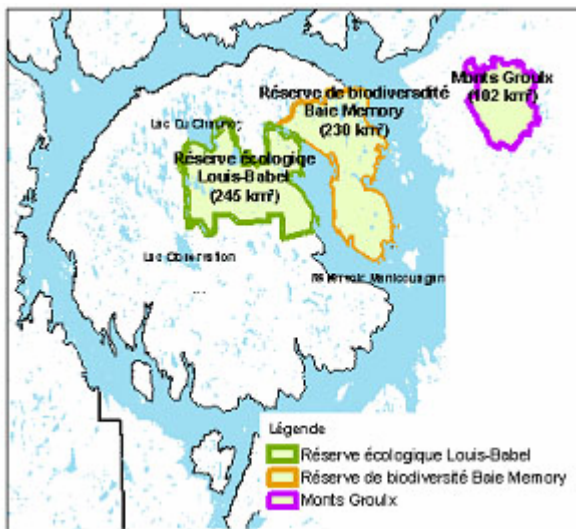


PROTECTED AREAS

23% of Île René-Levasseur Will be Protected

In direct collaboration with the Environment Ministry, in July 2002, Kruger Inc. proposed to double the existing protected area on Île René-Levasseur and to create a protected area on Monts Groulx. Thanks to this initiative, 23% of the island and 100% of Kruger's supply territory on Monts Groulx will be protected from now on. Kruger Inc. is the first company in the Québec forest industry to have taken concrete steps in matters of protected areas.



Île René-Levasseur Biodiversity Reserve

The projected biodiversity reserve borders the Réserve écologique Louis-Babel to the east and covers the entire peninsula on the east of Memory Bay. With an area of 230 km², this new protected area brings the amount of territory on the island that is exempt from industrial activity to 475 km². According to the Environment Ministry's analysis of deficiencies in the protected areas network, thanks to the Île René-Levasseur Biodiversity Reserve, 100% representation of old forests, climates and types of milieu will be preserved on the island.



Monts Groulx Biodiversity Reserve

The projected biodiversity reserve covers an area of 1,157 km² and may be accessed from the west by highway 389. The reserve protects the natural milieu representative of the Saint Marguerite plateau region. Kruger Inc. proposed to the Environment Ministry that it create a protected area from its entire forest supply territory on Monts Groulx (102 km²). At present, about 31% of the stands on Monts Groulx are exempt from all industrial activity.

Protection of Exceptional Forest Ecosystems

As a bonus to its contribution to the Québec strategy for protected areas, Kruger Inc. signed a research and knowledge acquisition protocol with the Ministry of Natural Resources Wildlife and Parks, to take an inventory of exceptional forest ecosystems (EFE) on Île René-Levasseur. Under this protocol, Kruger Inc. is committed to protecting EFEs that are identified through this inventory. Protection of ecosystems is part of the targeted values proposed by members of the Advisory Committee established by Kruger Inc., members of which include some twenty organizations, under its commitment to the Canadian CAN/CSAZ809-02 standard for sustainable forest management. Results from this research project have been published in May 2005.

Kruger Pledges to Protect Six Exceptional Forest Ecosystems (EFE) on Île René-Levasseur

Preliminary analysis of the research project shows that the softwood forests on the island were regenerated in the past following large forest fires, and that they are not considered to be ancient. Of note, according to the Ministry of Natural Resources, Wildlife and Parks, an ancient forest, in the North Shore region, is a forest of black spruce and balsam fir that is over 200 years old and has an uneven-age structure (forest stands in which the three are clearly of different ages).



The Manicouagan – Monts Groulx / Uapishka World Biosphere Reserve

Together with many organizations and associations that have an interest in the territory, Kruger Inc. is actively participating in a project to create a World Biosphere Reserve. With an area of nearly 9,000 km², the territory targeted under this project includes Monts Groulx, the Manicouagan Meteorite Crater (Manicouagan Reservoir and its other islands) and the Daniel-Johnson Dam.

The term “World Biosphere Reserve” is a designation attributed by UNESCO to certain territories under its program Man and the Biosphere. The aim of the concept is to find, in a given territory, a balance between biodiversity conservation, economic and social development, and the maintenance of cultural values, all within the perspective of sustainable development. The territory is therefore accorded worldwide recognition for its natural resources.



Typical territory in a World Biosphere Reserve is divided in the following manner:

a conservation zone, that permits the integral protection of resources representative of an area for demonstration and research purposes (Louis-Babel Ecological Reserve and Monts Groulx Ecological Reserve);

a buffer zone, where activities that have little impact on the environment are allowed, such as eco-tourism (Île René-Levasseur Biodiversity Reserve and the Monts Groulx Biodiversity Reserve);

a cooperation zone, where resource development industrial activities are allowed, in keeping with standards of sustainable development (the remainder of Île René-Levasseur and groups of trees on Monts Groulx).

At the moment, there are 409 World Biosphere Reserves in 94 countries. We have three in Québec, those of Mont Saint-Hilaire, Charlevoix and Lac St-Pierre. Once it has been recognized, the future Manicouagan – Monts Groulx / Uapishka World Biosphere Reserve will be the most widespread in Québec and the only one in Canada that represents northern ecosystems.