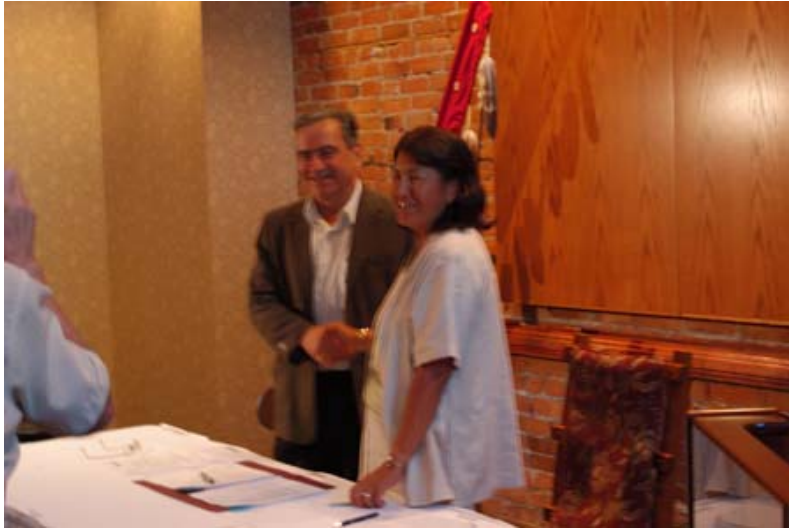


FOR IMMEDIATE RELEASE
July 19, 2004

KTUNAXA NATION AND TEMBEC INDUSTRIES SIGN WORKING PROTOCOL AND CONSULTATION AND ACCOMMODATION AGREEMENT



Cranbrook - The Ktunaxa Nation, represented by Kathryn Teneese and Tembec Industries Inc., represented by CEO, Frank Dottori today signed a Working Protocol and Consultation and Accommodation Agreement at the Delta, St. Eugene Mission Resort.

Tembec BC Division, Chief Forester, Troy Hromadnik notes "the Working Protocol is intended to promote a positive and sustainable working relationship between the members of the Ktunaxa Nation and Tembec. Through mutual recognition and respect, the Working Protocol shall serve as a foundation upon which existing and future relationships may be enhanced".

The Consultation & Accommodation Agreement relates to Tembec's activities within the Ktunaxa traditional territory and defines a process for consultation between the two parties and identifies potential means of accommodation of Ktunaxa interests. Highlights of this agreement includes...

- The development of a consultation process at various levels;
- The establishment of a Joint Management Advisory Committee (JMAC);
- Capacity and resource requirements;
- Information sharing protocols;
- Revenue sharing opportunities; and,
- The development of employment, training, contracting and **business** strategies.

KKTC Administrator, Kathryn Teneese notes " the signing of this agreement is a huge accomplishment for the Ktunaxa Nation in that Tembec recognizes and respects the Ktunaxa's historic and on-going use and occupancy of lands and resources within Ktunaxa traditional territory". She commends Tembec Industries for setting the stage for the development of new relationships for the Ktunaxa in the area of economic development and resource management.

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