

Addendum

PURPOSE OF THE ADDENDUM

Since public review of the Aquatic Habitat Conservation Plan/Candidate Conservation Agreement with Assurances (AHCP/CCAA) dated July 2002, Green Diamond Resources Company (Green Diamond) has worked with staff of the National Marine Fisheries Service (NMFS) and U.S. Fish and Wildlife Service (USFWS) to respond to comments on and revise sections of the AHCP/CCAA. This process occurred primarily in 2005 and yielded the documents identified as the Final AHCP/CCAA. The changes to the July 2002 AHCP/CCAA were made with the concurrence of NMFS, USFWS, and Green Diamond and include corrections, revised and new language regarding the measures in the Operating Conservation Program, and updated information about Green Diamond's ownership as of April 2005. This addendum identifies completed and pending changes in Green Diamond's ownership since April 2005. Upon issuance of the incidental take permit by NMFS and the enhancement of survival permit by USFWS, Green Diamond will prepare a map that shows Green Diamond's current ownership. The current ownership will comprise the Initial Plan Area as defined in the AHCP/CCAA. After permit issuance, Green Diamond may continue to acquire or sell property in accordance with the terms of the AHCP/CCAA.

OWNERSHIP CHANGES SINCE APRIL 2005 AND PROBABLE OWNERSHIP CHANGES BEFORE PERMIT ISSUANCE

Sale of Goose Creek Tract

The Western Rivers Conservancy has exercised a legally binding option to purchase all of Green Diamond's 9,478-acre Goose Creek tract located in the Smith River HPA. The sale of this tract is proceeding in three phases. Western Rivers has closed on the purchase of Phase I (3,858 acres) and Phase IIA (1,844 acres) and these lands have been conveyed to Western Rivers. Western Rivers is expected to complete the acquisition of the Goose Creek tract and close on the purchase of Phase IIB (3,776 acres) before or soon after the approval of the AHCP/CCAA and issuance of permits. The Goose Creek land acquired from Green Diamond by Western Rivers has been conveyed or will be conveyed to the United States for management as part of the Six Rivers National Forest and subject to the Northwest Forest Plan Amendments and PACFISH biological opinion.

Property Under Threat of Condemnation

Green Diamond has recently received notice that the California Department of Transportation intends to take two small parcels of Green Diamond land for public use as highway right of way. Green Diamond has agreed to sell a parcel of 1.88 acres abutting State Route 299 to the State. Another parcel of 0.15 acre abutting State Route 197 is likely to be acquired by the State.

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