



TimberWest

TIMBERWEST FOREST CORP.

INFORMATION CIRCULAR

DATED MARCH 15, 2002

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by or on behalf of the management of **TIMBERWEST FOREST CORP.** (the "Company") for use at the Annual General Meeting (the "Meeting") of the holders ("Unitholders") of Stapled Units of the Company to be held on Friday, May 3, 2002 at the time and place and for the purposes set forth in the accompanying Notice of Annual Meeting (the "Notice"). In this Information Circular, "Board of Directors" and "Board" refers to the board of directors of the Company.

PROXIES

Deposit of Proxy

In order to be valid and effective, a completed proxy must be delivered to the Company, c/o Computershare Trust Company of Canada, Equity Services Department, 4th Floor, 510 Burrard Street, Vancouver, British Columbia, Canada, V6C 3B9, not later than 48 hours before the time of the Meeting or any adjournment thereof. A self-addressed envelope is enclosed.

Appointment and Revocation of Proxies

A Unitholder who has given a proxy may revoke it by (a) signing a proxy bearing a later date and depositing it as provided under "Deposit of Proxy", (b) signing and dating a written notice of revocation (in the same manner as the enclosed form of proxy is required to be executed, as set out under "Validity of Proxy", and delivering such notice either to the registered office of the Company, P.O. Box 11101, Suite 2300 - 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 3P3, Attention: Beverlee F. Park, at any time up to and including the last business day preceding the day of the Meeting or to the Chairman of the Meeting on the day of the Meeting or (c) attending the Meeting in person and registering with the scrutineer thereat as a Unitholder present in person and signing and dating a written notice of revocation. Such revocation will have effect only in respect of those matters upon which a vote has not already been cast pursuant to the authority conferred by the proxy.

Voting of Shares Represented by Proxy

The individuals named as management's proxy nominees in the form of proxy enclosed with this Information Circular are directors or officers of the Company. On any ballot or poll, the common shares comprising part of the Stapled Units represented by a proxy in this form will be voted for or against or withheld from voting in accordance with the instructions of the Unitholder as specified in the proxy with respect to any matter to be acted on. **If a choice is not so specified with respect to any such matter, the common shares comprising part of the Stapled Units represented by a proxy given to the individuals named as proxy nominees in the enclosed form of proxy will be voted in favour of such matter. A Unitholder has the right to appoint a person (who need not be a Unitholder) other than the individuals named in the enclosed form of proxy to attend and act for the Unitholder and on the Unitholder's behalf at the Meeting and may exercise such right by inserting the name and address of the desired proxy nominee in the blank space provided in the form of proxy. In this case, if a voting choice is not so specified on such a proxy, the proxy nominee so named shall be entitled to vote the common shares represented by such proxy as that person sees fit.**

A proxy in the form enclosed will confer discretionary authority upon the proxy nominee named therein with respect to amendments and variations to the matters identified in the accompanying Notice and any other matter that may properly be brought before the Meeting. As of the date hereof, management of the Company is not aware of any such amendments, variations or other matters to be presented for consideration at the Meeting.

Validity of Proxy

A proxy will not be valid unless it is dated and signed by the Unitholder or by the Unitholder's attorney duly authorized in writing. In the case of a Unitholder that is a corporation, a proxy will not be valid unless it is executed under its seal or by a duly authorized officer or agent of, or attorney for, such corporate Unitholder. If a proxy is executed by an attorney or agent for an individual Unitholder or joint Unitholders, or by an officer, attorney, agent or other authority for a corporate Unitholder, the instrument empowering the officer, attorney or agent, as the case may be, or a notarial copy thereof, should accompany the proxy or be delivered to the Company.

A vote cast in accordance with the terms of a proxy will be valid notwithstanding the previous death, incapacity or bankruptcy of the Unitholder or intermediary on whose behalf the proxy was given or the revocation of the appointment of the proxy nominee, unless written notice of such death, incapacity, bankruptcy or revocation is received by the Chairman of the Meeting before the commencement thereof.

PERSONS MAKING THE SOLICITATION

This information circular is furnished in connection with the solicitation of proxies by or on behalf of the management of the Company. The cost of the solicitation has been and will be borne by the Company. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally or by telephone or other means of communication by directors and regular employees of the Company without special compensation. In addition, the Company may retain the services of agents to solicit proxies on behalf of management of the Company. In that event, the Company will compensate any such agent for such services, including reimbursement for reasonable out-of-pocket expenses, and will indemnify them in respect of certain liabilities which may be incurred by them in performing their services.

STAPLED UNITS AND PRINCIPAL HOLDERS THEREOF

Each Stapled Unit of the Company consists of one common share of the Company, 100 preferred shares of the Company and a Subordinate Note Receipt representing approximately \$8.98 face amount of Series A Subordinate Notes of the Company entitling the holder to approximately \$1.08 of interest per annum. The common share, 100 preferred shares and Subordinate Note Receipt trade together as a Stapled Unit on The Toronto Stock Exchange.

As a holder of one common share comprising a part of each Stapled Unit, each Unitholder is entitled to receive notice of and to attend all meetings of shareholders of the Company and to one vote for each such common share at such meetings.

As at March 15, 2002, there were 75,943,184 Stapled Units issued and outstanding, each of which includes one common share which carries the right to one vote at the Meeting. The quorum for the Meeting is two individuals present at the Meeting and representing in person or by proxy common shares carrying not less than 10% of the votes eligible to be cast at the Meeting. To be effective, the resolutions to be proposed at the Meeting must be passed by a majority of the votes cast by Unitholders represented in person or by proxy at the Meeting.

Only persons registered as Unitholders on the books of the Company as of the close of business on March 28, 2002 (the "Record Date") are entitled to receive notice of and to attend and vote at the Meeting.

To the knowledge of the directors and senior officers of the Company, as at March 15, 2002, the only person who beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the outstanding Stapled Units, other than The Canadian Depository for Securities Limited, is as follows:

Name	Number of Stapled Units	Percentage of Issued And Outstanding Stapled Units
SouthEastern Asset Management, Inc. (on behalf of investment advisory clients)	12,035,000	15.8%

As at March 15, 2002, the directors and senior officers of the Company and its subsidiaries, as a group, beneficially owned, directly or indirectly, or exercised control or direction over, less than 1% of the issued and outstanding Stapled Units.

INFORMATION FOR BENEFICIAL HOLDERS OF STAPLED UNITS

The information set forth in this section is of significant importance to any Unitholders of the Company who do not hold Stapled Units which are registered on the records of the Company in the Unitholders' own name. Unitholders who do not hold their Stapled Units in their own name (referred to in this Information Circular as "Beneficial Unitholders") should note that only registered holders of Stapled Units may deposit proxies for use at the Meeting. If Stapled Units are listed in an account statement provided to a Unitholder by a brokerage firm, bank or other intermediary, then in almost all cases those Stapled Units will not be registered in the name of the Beneficial Unitholder, the broker, the bank or other intermediary. In Canada, the vast majority of such Stapled Units are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited), which acts as nominee for many Canadian brokerage firms, banks and other intermediaries. Brokers, banks, other intermediaries and their nominees can only deposit a proxy upon the instructions of the Beneficial Unitholder. Without specific instructions, brokers, banks, other intermediaries and their nominees are prohibited from voting the common shares constituting part of the Stapled Units on behalf of their clients. Management of the Company does not know for whose benefit the Stapled Units registered in the names of CDS & Co. are held. Therefore, Beneficial Unitholders cannot be recognized at the Meeting for the purpose of voting the common shares constituting part of the Stapled Units in person unless appointed by the broker, bank or intermediary as a proxy nominee.

Applicable regulatory policy requires brokers, banks and intermediaries to seek voting instructions from Beneficial Unitholders in advance of Unitholders' meetings. Every broker, bank and intermediary has its own procedures to seek such voting instructions. These should be carefully followed by Beneficial Unitholders in order to ensure that their common shares constituting part of the Stapled Units are voted at the Meeting. The majority of brokers in Canada have delegated responsibility for obtaining instructions from clients to Independent Investor Communications Corp. ("IICC"). IICC typically applies a special sticker to the proxy forms or, alternatively, prepares a separate "voting instruction" form, mails those forms to the Beneficial Unitholders and asks Beneficial Unitholders to return the proxy or voting instruction forms to IICC. IICC then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares contained within the Stapled Units to be represented at the Meeting. A Beneficial Unitholder receiving a proxy with an IICC sticker on it, or a voting instruction form, cannot deposit on the Meeting Date that proxy or form to vote common shares contained within the Stapled Units at the Meeting. The proxy or form must be returned to IICC in advance of the Meeting in order to allow the common shares contained within the Stapled Units to be voted by the named proxy nominee at the Meeting.

IF YOU ARE A BENEFICIAL UNITHOLDER AND WISH TO VOTE IN PERSON AT THE MEETING, PLEASE CONTACT YOUR BROKER OR AGENT IN ADVANCE OF THE MEETING TO DETERMINE HOW YOU CAN DO SO.

MATTERS TO BE ACTED UPON

Election of Directors

Under the Articles of the Company, the number of directors of the Company was determined as seven (7). The directors of the Company are elected each year at the annual meeting of the Company and hold office until their successors are elected or appointed, or until he or she sooner ceases to hold office.

Advance notice of the Meeting inviting nominations for directors as required by Section 111 of the *Company Act* (British Columbia) was published in The Vancouver Sun newspaper in Vancouver, British Columbia on March 7, 2002. No nominations were received by the Company as a result of that notice.

The following table sets out the name of each of the persons proposed to be nominated. Each nominee, other than Mr. Pinette, is presently a director of the Company. **Management of the Company proposes to nominate each of the persons listed below for election as a director of the Company and the persons named as management's proxy nominee in the enclosed form of proxy intend to vote for the election of these nominees.** The position and office with the Company presently held by each such person, his present principal occupation or employment, the year in which he was first elected or appointed as a director and the number of Stapled Units that he has advised are beneficially owned, or over which control or direction is exercised, by him at the date of this Information Circular is set forth below:

Name and Residence	Position with the Company	Principal Occupation	Director Since	Stapled Units Held ⁽¹⁾
William C. Brown ⁽²⁾⁽³⁾⁽⁴⁾ West Vancouver, British Columbia	Director	Corporate Director	1997	20,903
V. Edward Daughney ⁽⁴⁾⁽⁵⁾⁽⁶⁾ Vancouver, British Columbia	Director	Chair, Echelon Home Products Ltd. (appliance wholesaler)	1997	11,993
Paul J. McElligott ⁽⁵⁾ North Vancouver, British Columbia	Director and President and Chief Executive Officer of the Company	President and Chief Executive Officer of the Company	1997	30,951
Robert W. Murdoch ⁽²⁾⁽³⁾⁽⁷⁾ Montreal, Quebec	Director	Corporate Director	2001	3,600
Anthony J. Petrina ⁽³⁾⁽⁴⁾ Vancouver, British Columbia	Director	Corporate Director	1997	11,001
Conrad A. Pinette ⁽⁸⁾ Vancouver, British Columbia	-	President and Chief Operating Officer, Lignum Ltd. (lumber products)	-	1,000
Kenneth A. Shields ⁽²⁾⁽⁴⁾ Vancouver, British Columbia	Director	President and Chief Executive Officer, Raymond James Ltd. (investment dealers)	1997	20,674

- (1) Includes the number of Stapled Units beneficially owned, directly or indirectly, or over which control or direction is exercised, by the named individual as of March 15, 2002.
- (2) Member of the Audit Committee.
- (3) Member of the Environment, Health and Safety Committee.
- (4) Member of the Governance and Human Resources Committee.
- (5) Mr. Daughney was appointed Interim President and Chief Executive Officer in November 2000 and resigned from this office in January 2001 when Mr. McElligott was appointed President and Chief Executive Officer.
- (6) Chairman of the Board of Directors.
- (7) During the previous five years, Mr. Murdoch has served as a Corporate Director of Lafarge S.A., Lafarge North America and Sierra Systems Inc.
- (8) During the previous five years, Mr. Pinette has served as President and Chief Operating Officer of Lignum Ltd.

Each of the nominees named above have consented to act as a director of the Company. In the event the Company is advised prior to the election of directors at the Meeting that any such individual is unable or unwilling to so act, a proxy in the enclosed form of proxy will confer discretionary authority on the proxy nominee so named to vote for the election of such other individuals who may be nominated at the Meeting.

The Company does not have an Executive Committee of the Board.

The directors of the Company who are not employees of the Company are entitled to compensation for services rendered and to be reimbursed for expenses incurred in the performance of the duties of a director of the Company.

Annual compensation is \$12,000 for each director (except that the Chairman of the Board is paid annual compensation of \$50,000), plus \$1,000 for each meeting of the Board of Directors or a committee of the Board attended. Each member of a committee of the Board (other than the chair of the committee) is paid an annual fee of \$3,000, and a chair of a committee of the Board is paid an annual fee of \$4,500.

Directors are, from time to time, requested to carry out special assignments by the Board of Directors and are compensated at a rate of \$1,000 per day for such services.

During 2001, each director was granted options to purchase 9,000 Stapled Units (except that the Chairman of the Board was granted options to purchase 15,000 Stapled Units and Mr. Buell was not granted any options) at an exercise price of \$12.72 per Stapled Unit. These options are exercisable until November 23, 2006 and are subject to vesting as to one-third each year on a cumulative basis over the three years following the date of grant. As part of the wind-up of the Company's Senior Management Stapled Unit Incentive Plan (the "Stapled Unit Incentive Plan"), each director who terminated his participation under the plan received a one-off grant of options as replacement for his future benefits under the Company's Stapled Unit Incentive Plan. In this connection, Messrs. Brown, Petrina and Shields each received options to purchase 12,500 Stapled Units and Mr. Daughney received options to purchase 20,840 Stapled Units, all at an exercise price of \$11.67 per Stapled Unit. These options are exercisable until October 18, 2006 and vested in full on the date of grant. In addition, pursuant to the Company's Distribution Equivalent Plan, the directors who were granted the options referred to above also received an equal number of awards under the Distribution Equivalent Plan. Such awards have the same expiry date and vesting terms as the corresponding options. See "Report on Executive Compensation – Distribution Equivalent Plan".

Mr. McElligott, who is also an employee of the Company, is not entitled to and has not received any of the compensation described above.

Appointment and Remuneration of Auditors

Management recommends that KPMG LLP, Chartered Accountants ("KPMG"), be reappointed as auditors of the Company to hold office until termination of the next annual meeting of the unitholders. KPMG have been the auditors of the Company or its predecessors since the initial public offering of a predecessor company in December 1993. Management further proposes that, as in the past, the remuneration to be paid to the auditors be determined by the Board.

The persons named in the enclosed form of proxy intend to vote for the reappointment of KPMG as the auditors of the Company to hold office until the termination of the next annual meeting.

Other Matters to be Acted Upon

The management of the Company knows of no matters, which may be brought before the Meeting other than those referred to in the Notice. However, if other matters are properly brought before the Meeting, the persons named in the enclosed form of proxy intend, in their discretion, to vote on such matters in accordance with the judgment of the person so voting.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets out, for the periods indicated, the compensation earned from the Company and its subsidiaries by the Chief Executive Officers and the individuals who were, at December 31, 2001, the end of the Company's most recently completed financial year, the four most highly compensated executive officers of the Company other than the Chief Executive Officers (collectively, the "Named Executive Officers").

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation			All Other Compensation ⁽⁵⁾ (\$)
		Salary (\$)	Bonus ⁽¹⁾ (\$)	Other Annual Compensation ⁽²⁾ (\$)	Awards		Long Term Incentive Plan Payouts ⁽⁴⁾ (\$)	
					Securities Under Options/SARs Granted ⁽³⁾ (#)	Restricted Shares or Restricted Share Units (\$)		
PAUL J. McELIGOTT ⁽⁶⁾ President and Chief Executive Officer	2001	314,560 ⁽⁷⁾	198,000	95,043	363,340	NIL	NIL	12,566
V. EDWARD DAUGHNEY ⁽⁸⁾ Former Interim President and Chief Executive Officer	2001	NIL	NIL	NIL	NIL	NIL	NIL	20,000 ⁽⁹⁾
	2000	NIL	NIL	NIL	NIL	NIL	NIL	25,806 ⁽⁹⁾
ERIK BENTSEN Senior Vice-President, Coast Timberlands	2001	200,000	85,000	29,256	NIL	NIL	NIL	7,400
	2000	185,000	68,820	37,461	150,000	NIL	62,500	59,092
	1999	185,000	88,800	31,702	NIL	NIL	NIL	7,002
BEVERLEE F. PARK ⁽¹⁰⁾ Vice-President, Finance and Chief Financial Officer and Secretary	2001	192,917	81,000	18,987	72,250	NIL	NIL	26,804
	2000	164,378 ⁽¹¹⁾	63,241	27,889	85,000	NIL	53,472	46,424
GARY D. COWAN Senior Vice-President, Corporate Development & Real Estate	2001	180,000	75,000	26,966	64,600	NIL	NIL	27,839
	2000	180,000	66,050	31,568	60,000	NIL	50,347	28,786
	1999	158,229	61,847	24,590	NIL	NIL	NIL	24,928
DONALD E. MCMULLAN Vice-President and Chief Forester	2001	150,000	52,000	15,660	5,000	NIL	NIL	22,320
	2000	151,731	55,800	28,077	105,000	NIL	62,500	48,523
	1999	141,250	57,000	22,704	NIL	NIL	NIL	67,037

- (1) The annual incentive bonus payments are reported in the financial year in which they were earned, not in the year in which they were actually paid. They are paid in cash in the year following the financial year in which they were earned.
- (2) Perquisites and other personal benefits provided to the Named Executive Officers do not exceed, with respect to any Named Executive Officer, the lesser of \$50,000 and 10% of the total annual salary and bonus of such Named Executive Officer. Amounts in this column represent (i) imputed interest on interest-free housing loans (Mr. Bentsen: \$542 (2001), \$1,678 (2000)) and on loans for the purchase of Stapled Units pursuant to the Stapled Unit Incentive Plan (Mr. McElligott: \$87,260 (2001); Mr. Bentsen: \$25,979 (2001), \$ 31,920 (2000), \$27,750 (1999); Ms. Park: \$18,987 (2001), \$27,236 (2000); Mr. Cowan: \$26,966 (2001), \$30,307 (2000), \$23,300 (1999); Mr. McMullan: \$15,660 (2001), \$25,679 (2000), \$20,250 (1999)) and (ii) amounts reimbursed in respect of the income taxes payable on the taxable benefit received by virtue of the payment of life insurance premiums (Mr. McElligott: \$7,783 (2001); Mr. Bentsen: \$2,736 (2001), \$3,863 (2000), \$3,952 (1999); Ms. Park: \$653 (2000); Mr. Cowan: \$1,261 (2000), \$1,290 (1999); Mr. McMullan: \$2,398 (2000), \$2,454 (1999)).
- (3) Consists of options to purchase Stapled Units granted during the relevant financial year. In 2001, the options granted to Mr. McElligott include options granted in connection with his appointment as President and Chief Executive Officer of the Company, an annual grant of options as well as an one-off grant of options in connection with the wind-up of the Stapled Unit Incentive Plan and the options granted to Messrs. Bentsen, Cowan and McMullan and Ms. Park include an annual grant of options as well as an one-off grant of options in connection with the wind-up of the Stapled Unit Incentive Plan. See "Report on Executive Compensation – Senior Management Stapled Unit Incentive Plan."
- (4) The Stapled Unit Incentive Plan three-year performance bonuses, representing the period January 1, 1998 to December 31, 2000, are reported in the financial year in which they were earned, not in the year in which they were actually paid. The after tax amounts of the bonuses were used to reduce the participant's loan amount under the Stapled Unit Incentive Plan. The three-year performance target was deemed achieved in 2000.
- (5) Except for Mr. Daughney, includes (i) vested and unvested annual contributions and allocations made by the Company to a pension plan for senior executives, (ii) life insurance premiums reimbursed by the Company, (iii) contributions made by the Company under its Employee Stapled Unit Purchase Plan and (iv) relocation allowances paid by the Company. For Ms. Park, Mr. Cowan and Mr. McMullan, the amount disclosed does not include the negative notional allocation of \$770, \$636 and \$23,791, respectively, to their respective pension accounts in 2001 pursuant to the defined contribution option of the Company's Retirement Plan for Senior Executives. See "Retirement Plans".
- (6) Mr. McElligott became a Named Executive Officer on January 22, 2001 when he was appointed President and Chief Executive Officer of the Company.
- (7) The salary disclosed is for the period from January 22, 2001 to December 31, 2001. For comparative purposes, Mr. McElligott's annual salary for 2001 was \$332,000.
- (8) Mr. Daughney was appointed Interim President and Chief Executive Officer of the Company in November 2000 and ceased to be the Interim President and Chief Executive Officer on January 22, 2001. He was not an executive officer of the Company for any part of the financial year ended December 31, 1999.
- (9) Management fees of \$20,000 and \$25,806 were paid to an entity controlled by Mr. Daughney for the month of January 2001 and the period from November 22, 2000 to December 31, 2000, respectively.
- (10) Ms. Park became an executive officer of the Company in February 2000 when she was appointed Vice-President, Finance and Chief Financial Officer of the Company. Ms. Park was not an executive officer of the Company for any part of the financial year ended December 31, 1999.
- (11) The salary disclosed is for the period from January 1, 2000 to December 31, 2000. From January 1, 2000 to February 21, 2000, Ms. Park was Controller/Secretary of the Company. For comparative purposes, Ms. Park's annual salary for 2000 as Vice-President, Finance, Chief Financial Officer and Secretary was \$170,000.

Stapled Unit Options

The following table sets forth information concerning options to purchase Stapled Units granted to the Named Executive Officers, in their capacities as executive officers of the Company, during the financial year ended December 31, 2001.

OPTION GRANTS DURING THE MOST RECENTLY COMPLETED FINANCIAL YEAR

Name	Stapled Units Under Options Granted ⁽¹⁾	% of Total Options Granted to Employees in Financial Year	Exercise Price (\$/Stapled Unit)	Market Value of the Stapled Units on Date of Grant (\$/Stapled Unit)	Expiration Date
Paul J. McElligott	75,000 ⁽²⁾	6.82	12.72	12.72	11/23/06
	138,340 ⁽³⁾	12.59	13.03	13.03	12/13/06
	150,000 ⁽⁴⁾	13.65	10.71	10.71	01/30/11
Beverlee F. Park	23,500 ⁽²⁾	2.14	12.84	12.84	12/02/06
	48,750 ⁽³⁾	4.44	13.03	13.03	12/13/06
Gary D. Cowan	19,600 ⁽²⁾	1.78	12.84	12.84	12/02/06
	45,000 ⁽³⁾	4.09	13.03	13.03	12/13/06
Donald E. McMullan	5,000 ⁽²⁾	0.45	12.84	12.84	12/02/06

- (1) The Company adopted a Distribution Equivalent Plan on November 24, 2001. Each of the optionees were also granted the same number of awards under the Distribution Equivalent Plan. See "Report on Executive Compensation – Distribution Equivalent Plan".
- (2) Annual option grant.
- (3) One-off option grant in connection with the wind-up of the Stapled Unit Incentive Plan. See "Report on Executive Compensation – Senior Management Stapled Unit Incentive Plan."
- (4) Option granted in connection with Mr. McElligott's appointment as President and Chief Executive Officer of the Company.

The following table sets forth information concerning the value realized upon the exercise of options to purchase Stapled Units during the financial year ended December 31, 2001 and the value of unexercised options to purchase Stapled Units held by the Named Executive Officers, in their capacities as executive officers of the Company, as at December 31, 2001.

**AGGREGATED OPTION EXERCISES DURING THE MOST RECENTLY COMPLETED
FINANCIAL YEAR AND FINANCIAL YEAR-END OPTION VALUES**

Name	Stapled Units Acquired on Exercise (#)	Aggregate Value Realized	Unexercised Options at December 31, 2001 (#)		Value of Unexercised in-the-Money Options at December 31, 2001 ⁽¹⁾	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Paul J. McElligott	NIL	NIL	26,666	376,674	\$109,064	\$419,036
Erik Bentsen	100,000	\$329,772	NIL	50,000	NIL	\$204,500
Beverlee F. Park	NIL	NIL	100,416	56,834	\$211,310	\$140,100
Gary D. Cowan	20,000	\$69,800	45,000	59,600	NIL	\$166,736
Donald E. McMullan	71,666	\$243,378	NIL	38,334	NIL	\$137,136

(1) The closing price of the Stapled Units on the Toronto Stock Exchange on December 31, 2001 was \$13.00.

Retirement Plans

The following table sets forth estimated annual retirement benefits that become payable to Messrs. McElligott and Bentsen under the defined benefit option of the Company's Retirement Plan for Senior Executives and Base Pension Plan.

PENSION PLAN TABLE

Remuneration ⁽¹⁾	Years of Service						
	5	10	15	30	35	40	45
\$175,000	17,500	35,000	52,500	105,000	122,500	140,000	157,500
\$200,000	20,000	40,000	60,000	120,000	140,000	160,000	180,000
\$225,000	22,500	45,000	67,500	135,000	157,500	180,000	202,500
\$250,000	25,000	50,000	75,000	150,000	175,000	200,000	225,000
\$300,000	30,000	60,000	90,000	180,000	210,000	240,000	270,000
\$400,000	40,000	80,000	120,000	240,000	280,000	320,000	360,000
\$500,000	50,000	100,000	150,000	300,000	350,000	400,000	450,000
\$600,000	60,000	120,000	180,000	360,000	420,000	480,000	540,000

(1) Annual average covered remuneration, which includes annual salary and bonus.

The Company's Base Pension Plan has a 1.3%/2.0% integrated final average earnings formula. Messrs. McElligott and Bentsen are also members of the Company's Retirement Plan for Senior Executives (the "Senior Executive Plan") under which an executive officer who retires at age 65 is entitled to a monthly pension amounting to 2% of each year of credited service applied to the average monthly salary and bonus during the 60 consecutive months when salary and bonus were highest, with a spousal benefit of 60% of the executive officer's pension. The benefits payable under the Senior Executive Plan are reduced by 0.25% per month that retirement occurs prior to age 60. Credited years of service currently and at normal retirement at age 65 are 1 year and 17 years for Mr. McElligott and 33 years and 43 years for Mr. Bentsen. Mr. McElligott is also eligible for an additional pension of \$25,000 per year commencing with the payout of his pension from his previous employer.

Ms. Park and Messrs. Cowan and McMullan are members of the defined contribution option of the Senior Executive Plan. Under the defined contribution option, the Company allocates an aggregate of 12% of the executive officer's monthly salary and bonus to individual retirement accounts. Of this total, 7% of the monthly salary and bonus is contributed to the member's account in the defined contribution option of the salaried retirement plan available to all salaried employees of the Company and the remainder is allocated to a notional account maintained for the member under the Senior Executive Plan. In addition, the Company is also obligated to make an allocation to the notional account of a member every year and such amount is calculated by reference to the average performance of the balance funds in which the pension fund is invested. Such allocation may be positive or negative. The obligation of the Company in respect of amounts payable pursuant to allocation to notional accounts of members under the Senior Executive Plan is secured by letters of credit.

Under the Senior Executive Plan, the amount of bonus recognized in pensionable earnings is limited to 50% of bonus payments made to an executive officer by way of annual cash incentive, and includes neither any amount for bonuses under the Stapled Unit Incentive Plan nor the value of any options issued under the Stapled Unit Option Plan or payments made under the Distribution Equivalent Plan. The benefits payable under the Senior Executive Plan are vested after two years of participation or the attainment of age 55.

Termination of Employment, Change in Responsibilities and Employment Contract

The Company has agreements with each of the current Named Executive Officers which include provisions relating to the termination of their employment and a change in control of the Company.

These agreements provide for severance payments to be made to such individuals if employment is terminated without cause within 24 months following a change of control of the Company, as defined in the agreements. The agreements provide for a "severance" period for each individual of either 24 or 36 months, and provide that in the event of termination (including termination by the individual for reasons that would constitute constructive dismissal (defined in the agreements as "good reason")), other than for cause, following a change in control, the Company will pay the individual:

- an amount equal to the individual's current annual base salary and average bonus paid over the previous three years, multiplied by the individual's severance period in number of years;
- the individual's unpaid base salary and an amount equal to the individual's pro rated bonus to the date of termination based on the average bonus referred to above; and
- all benefits during the severance period, including insurance benefits and the accrual of pension benefits, less all benefits that are received by the individual during the severance period from a person other than the Company.

The agreements also provide that all options to purchase Stapled Units held by the individual under the Company's Stapled Unit Option Plan as of the date of termination of employment will vest to the extent they have not already vested as at the date of the change in control.

The Company has entered into an employment contract with Mr. McElligott for a term of three years commencing January 22, 2001, subject to automatic renewal for further three-year terms unless either party gives written notice of non-renewal not less than 90 days prior to the expiry of the relevant term. The Company may terminate Mr. McElligott's employment without cause at any time or may not renew the agreement at the end of any three-year term if it pays Mr. McElligott an amount equal to two years base salary plus two times the average annual incentive paid under the Company's Senior Management Annual Incentive Plan in the prior 24 months. In addition, executive perquisites, insurance and other company benefits must be maintained by the Company for Mr. McElligott on a month by month basis for up to two years to the extent permitted by third party providers and until Mr. McElligott commences alternative employment.

COMPOSITION OF THE COMPENSATION COMMITTEE

Members of the Governance and Human Resources Committee of the Board of Directors of the Company (this committee performs the functions of a compensation committee in the determination of compensation of the executive officers) who served during the financial year ended December 31, 2001 were Messrs. Brown, Daughney,

Petrina and Shields. Mr. Daughney was an interim officer of the Company from November 22, 2000 to January 21, 2001. Mr. Shields was, prior to June 23, 1997, an officer of the Company.

REPORT ON EXECUTIVE COMPENSATION

The Governance and Human Resources Committee (the “Committee”) of the Board of Directors of the Company reviews and makes recommendations to the Board regarding the remuneration of the senior management of the Company, including the President and Chief Executive Officer (the “CEO”). The Committee recommends approval by the Board of salaries, bonuses, securities-related and other incentive plans, pensions and other benefit plans that would be considered compensation to senior management.

Compensation Strategy

Total compensation for senior management includes base salary, annual and long-term incentives and a program of benefits and perquisites.

In addition to attracting and retaining a senior management team that demonstrates superior leadership skills and strategic management focus, the compensation strategy has the objective of linking the interests of the senior management group with those of the holders of the Stapled Units.

The Committee believes that its objectives can be met by providing for base salaries at levels prevailing in the marketplace, together with an emphasis on annual and long-term incentives based on the performance of the Company to provide total compensation competitive with a reference group comprising Canadian companies in the forest industry (for industry specific management roles) and a general industry sample of autonomous Canadian companies with revenues between \$100 million and \$5 billion (for non-industry specific management roles).

Base Salary and Benefits and Perquisites

Base salary and benefits and perquisites have been recommended to the Board with the assistance of independent consultants and on the basis of market research conducted by the independent consultants on the reference groups. The CEO and other executive officers were compared to executives occupying similar positions in the reference groups. The Committee’s policy is that target salaries and ranges are referenced at the median levels of the groups. The Committee recommends actual salaries based on that policy.

Annual Cash Incentives

Effective for the financial year beginning January 1, 1998, the Committee adopted a formal plan, known as the Senior Management Annual Incentive Plan (the “Annual Incentive Plan”), which defined the criteria governing the payment of cash incentives. The intention of the Annual Incentive Plan is to encourage senior management to focus on strategies and results that meet expectations of the holders of Stapled Units for sustainable distributable cash. The Annual Incentive Plan also allows a measure of discretion for the CEO to differentiate incentive compensation paid on the basis of individual performance.

At the beginning of each financial year, the Company’s target performance for the year is established. For 2001, the target was set at \$79.3 million of distributable cash.

A target award is established for each participant in the Annual Incentive Plan using a percentage of base salary. In 2001, the target award for members of senior management (other than the CEO) for achieving 100% of the Company’s target performance was established at 35% of salary (up from 28% in 2000). Of the 35%, 25% is non-discretionary (up from 18% in 2000) and 10% is discretionary (the same as in 2000). For the CEO, the target award for achieving 100% of the Company’s target performance was established at 50% of salary (up from 38% in 2000). Of the 50%, 40% is non-discretionary (up from 23% in 2000) and 10% is discretionary (down from 15% in 2000). Non-discretionary award amounts are determined for all participants based on the Company’s actual performance relative to its target for the financial year.

Maximum awards are paid if the Company achieves 120% of its target performance. The maximum awards established in 2001 were 70% for members of senior management (up from 64% in 2000). The maximum award for the CEO was 100% (up from 84% in 2000).

Senior Management Stapled Unit Incentive Plan

On October 28, 1997, the Board of Directors approved the Stapled Unit Incentive Plan as a long-term incentive plan for the Company's senior management. The Committee administers the Stapled Unit Incentive Plan. As part of the review of the executive long-term incentive programs of the Company, the Board obtained the advice of a nationally recognized compensation consulting firm and decided in October 2001 to wind-up the Stapled Unit Incentive Plan.

As part of the wind-up of the Stapled Unit Incentive Plan, all participants under the plan (other than those whose participation was terminated in the ordinary course pursuant to the plan) entered into agreements with the Company to terminate their participation under the plan. As part of these agreements, all Stapled Units held in each participant's account vested immediately and the trustee under the plan sold (in the case of employees, to the Company, or in the case of non-employees, through the Toronto Stock Exchange) sufficient Stapled Units to repay in full the loan owed by such participant under the plan. The balance of the Stapled Units were released to the participants.

In addition, options were granted pursuant to the Company's Stapled Unit Option Plan to the participants who agreed to terminate their participation under the Stapled Unit Incentive Plan (in aggregate, 58,340 for directors and 650,300 for officers and employees). These options are exercisable at exercise prices equal to the applicable current market price, expire on the fifth anniversary of the applicable grant date and vest pursuant to a vesting schedule based on the Stapled Unit Incentive Plan. These participants were also granted distribution equivalent awards under the Company's Distribution Equivalent Plan. These grants were designed to replace future benefits of the participants under the Stapled Unit Incentive Plan.

Stapled Unit Option Plan

On April 18, 2000, the Unitholders approved the adoption of the Company's Stapled Unit Option Plan, dated as of March 1, 2000, pursuant to which directors, officers or employees of the Company or of any of its subsidiaries who are in active service or employment with the Company or any of its subsidiaries (defined under the Stapled Unit Option Plan as "Eligible Persons") may be granted options to purchase Stapled Units.

Purpose of the Stapled Unit Option Plan

The purpose of the Stapled Unit Option Plan is to promote the interests of the Company by (i) furnishing certain directors, officers and employees of the Company and its subsidiaries with greater incentive to further develop and promote the business and financial success of the Company, (ii) furthering the identity of interests of persons to whom options may be granted with those of the Unitholders generally through securities ownership in the Company and (iii) assisting the Company in attracting, retaining and motivating its directors, officers and employees.

Description of the Stapled Unit Option Plan

Under the Stapled Unit Option Plan, options may be granted to Eligible Persons as described under the plan from time to time. The maximum number of Stapled Units which may be issued pursuant to the Stapled Unit Option Plan and all options granted thereunder will not exceed 3,500,000 Stapled Units, which amounts to approximately 5% of the issued and outstanding Stapled Units as of March 15, 2002. The number of Stapled Units subject to any option granted under the Stapled Unit Option Plan and the related exercise price are subject to conventional provisions for their adjustment in certain events, including subdivision or consolidation of the Stapled Units. The number of Stapled Units that may be reserved for issuance to any one person pursuant to options granted under the Stapled Unit Option Plan may not exceed 5% of the issued and outstanding Stapled Units from time to time on a non-diluted basis (the "Outstanding Stapled Units"), the number of Stapled Units that may be reserved for issuance to insiders of the Company pursuant to options granted may not exceed 10% of the Outstanding Stapled Units and the number of Stapled Units that may be reserved for issuance to directors of the Company (who are not employees of the Company) pursuant to options granted may not exceed 1% of the Outstanding Stapled Units. In addition, the number of Stapled Units that may be issued to all insiders of the Company in the aggregate, or to any one insider, pursuant to options granted under the Stapled Unit Option Plan and pursuant to any other compensation arrangement involving the issuance of Stapled Units, within a one year period, may not exceed 10% and 5% of the Outstanding Stapled Units, respectively.

The Stapled Unit Option Plan is administered by the Committee. The Committee may select Eligible Persons who may be granted options under the Stapled Unit Option Plan and determine the number of Stapled Units and exercise price in respect of which options are to be granted to such persons. The Committee may also determine the expiry date of the options, provided that the date of expiry may not be later than the date which is ten years after the date of grant. If an optionee ceases to be in active employment or service with the Company or any of its subsidiaries due to death, retirement or termination with or without cause, the options held by such optionee will be subject to early expiry.

Options granted under the Stapled Unit Option Plan may not be exercised except in accordance with such limitations, based on the passage of time after the option is granted or the satisfaction or fulfilment of any other conditions, and subject to such other provisos as the Committee may in its discretion determine to be appropriate. As long as the Stapled Units are listed on the Toronto Stock Exchange, the exercise price per Stapled Unit for each option granted pursuant to the Stapled Unit Option Plan may not be less than the weighted average trading price of the Stapled Units on the Toronto Stock Exchange over the period of five consecutive trading days ending on the trading day immediately before the date of grant.

Distribution Equivalent Plan

On November 24, 2001, the Board of Directors approved and the Company adopted a Distribution Equivalent Plan pursuant to which directors, officers or employees of the Company or any of its subsidiaries who are in active service or employment with the Company or any of its subsidiaries may be granted distribution equivalent awards under the Distribution Equivalent Plan.

Purpose of the Distribution Equivalent Plan

The purpose of the Distribution Equivalent Plan is very similar to that of the Stapled Unit Option Plan. It is intended to complement the Stapled Unit Option Plan so that recipients of options, by receiving corresponding distribution equivalent awards, will, upon exercise of the relevant options, have the benefit of distributions paid by the Company in respect of Stapled Units subject to the granted options.

Description of the Distribution Equivalent Plan

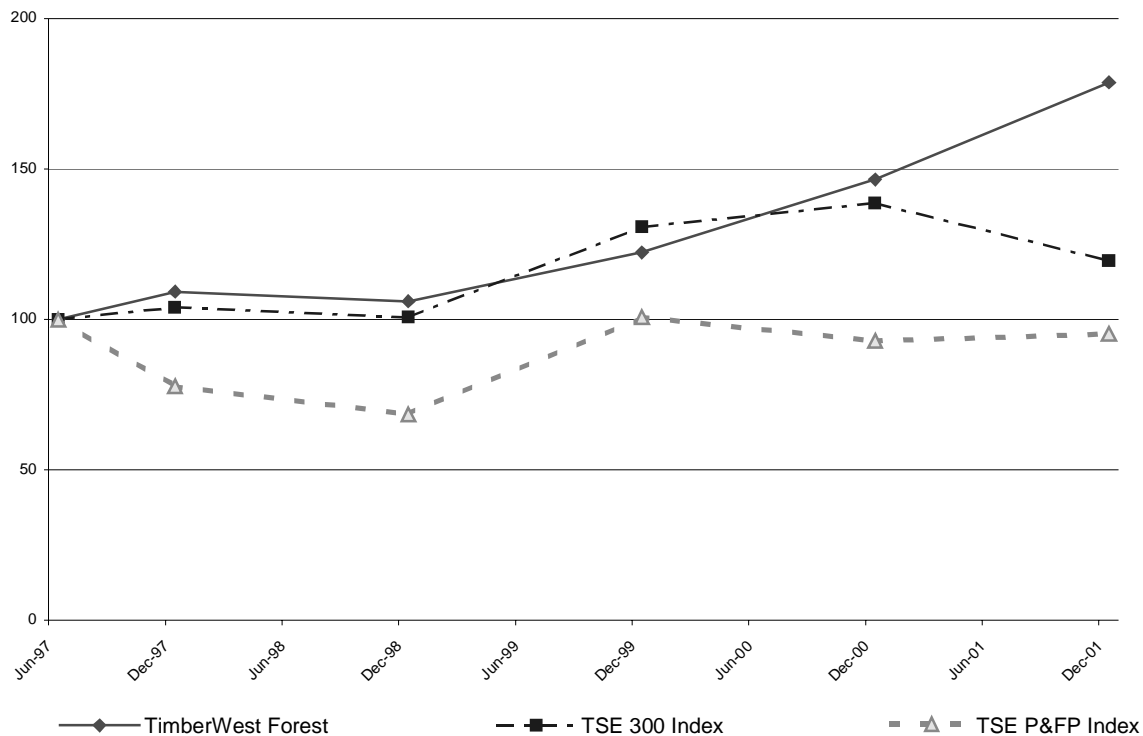
The Distribution Equivalent Plan is administered by the Committee. Subject to determination otherwise by the Company at the time of grant, a person who is granted options to acquire Stapled Units under the Company's Stapled Unit Option Plan will be granted the same number of awards under the Distribution Equivalent Plan and such awards will have the same expiry date and vesting terms as the corresponding granted options. The awards granted under the Distribution Equivalent Plan will only be exercisable at the same time when and if the corresponding options are exercised. At any time and from time to time, when the Company pays any distribution on the Stapled Units, the Company will pay to the trustee of the trust formed in relation to the Distribution Equivalent Plan an amount proportionate to such paid distribution based on the number of awards granted under the Distribution Equivalent Plan. After receipt from the Company, the trustee will use such payment to purchase Stapled Units through the Toronto Stock Exchange for the trust. When a participant exercises vested awards under the Distribution Equivalent Plan at the time of exercise of the corresponding options, the trustee will release the applicable number of Stapled Units held in trust to that participant in accordance to the terms of the Distribution Equivalent Plan. If the corresponding options are not exercised, the Stapled Units held in trust for the participant will be sold by the trustee and the proceeds thereof remitted to the Company.

Submitted by the Governance and Human Resources Committee

A.J. Petrina, Chairman
W.C. Brown
V.E. Daughney
K.A. Shields

PERFORMANCE GRAPH

The following line graph and succeeding table compare the return on the Stapled Units, assuming an initial investment of \$100, with the cumulative total return, assuming a corresponding investment with all dividends reinvested, in respect of The TSE 300 Total Return Index (the "TSE 300 Index") and The TSE Paper and Forest Products Index (the "TSE P&FP Index") compiled by The Toronto Stock Exchange, from the commencement of trading of the Trust Units of TimberWest Timber Trust (which were subsequently exchanged on a one for one basis for Stapled Units) on The Toronto Stock Exchange on June 23, 1997 to December 31, 2001.



	June 23, 1997	December 31, 1997	December 31, 1998	December 31, 1999	December 31, 2000	December 31, 2001
TimberWest Forest Corp.	\$100	\$109	\$106	\$122	\$147	\$179
TSE 300 Index	\$100	\$104	\$101	\$131	\$139	\$119
TSE P&FP Index	\$100	\$78	\$69	\$101	\$93	\$95

CORPORATE GOVERNANCE

The Toronto Stock Exchange requires a listed company to annually disclose its approach to corporate governance with specific reference to a series of guidelines for effective corporate governance (the “TSE Guidelines”). The TSE Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members.

The Company’s Board of Directors and senior management consider good corporate governance to be central to the effective, efficient and prudent operation of the Company. The Company’s approach to corporate governance is described below.

Composition of the Board

The TSE Guidelines recommend that a board of directors should be constituted with a majority of individuals who qualify as “unrelated directors”. The TSE Guidelines define an unrelated director as a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director’s ability to act with a view to the best interests of the corporation, other than interests and relationships arising from shareholding. The TSE Guidelines also make an informal distinction between “inside” and “outside” directors. The TSE Guidelines and related rules consider an inside director of a corporation to be a director who is an officer or employee of the corporation or any of its subsidiaries.

The directors of the Company have examined the relevant definitions in the TSE Guidelines and have individually considered their respective interests in and relationships with the Company. As a consequence, the Board has determined that on a rigorous application of these definitions, six of the Company’s seven directors are both unrelated and outside directors. Mr. McElligott (the President and Chief Executive Officer of the Company) is the only director who is a related director. Mr. McElligott is also an inside director.

The TSE Guidelines also recommend that in circumstances where a corporation has a “significant shareholder” (that is, a shareholder with the ability to exercise the majority of the votes for the election of the directors of the corporation) the board of directors should include a number of directors who do not have interests in or relationships with either the corporation or the significant shareholder and should fairly reflect the investment in the corporation by shareholders other than the significant shareholder. The Company does not have a significant shareholder.

The TSE Guidelines recommend that a board of directors should have in place appropriate structures and procedures to enable the board to function independently of management. The TSE Guidelines provide that the independence of a board is most simply assured by appointing a chair who is not a member of management. The Chairman of the Board of the Company, Mr. Daughney, is not an employee of the Company and is not regularly involved in the day-to-day management of the Company. In addition, the Board from time to time holds sessions at Board meetings without management present.

The TSE Guidelines provide that a board of directors should examine its size having regard to its effectiveness and, where appropriate, consider reducing the number of directors to facilitate more effective decision making. The Board considers its size of seven directors to be appropriate at the current time.

Committees of the Board

The TSE Guidelines recommend that the committees of a board of directors should generally be composed of outside directors, a majority of whom are unrelated directors. The Board has established three standing committees, the Audit Committee, the Environment, Health and Safety Committee and the Governance and Human Resources Committee. Each of these committees is composed entirely of outside and unrelated directors.

In addition to its statutory duties, the Audit Committee, as recommended in the TSE Guidelines, has specific authority to review and make recommendations to the Board regarding all external financial reporting, and to review material issues related to internal control and to internal and external audit findings. The Audit Committee also ensures that management has an appropriate relationship with the Company’s external auditors and meets regularly with them without management present.

The Environment, Health and Safety Committee has specific authority to review, approve and revise the environmental and safety policy of the Company, to monitor the Company's environmental management system, including internal and external audit results, to provide direction to management on the frequency and focus of external independent environmental audits and to investigate any activity of the Company that relates to environmental and safety matters.

The Governance and Human Resources Committee has responsibility to review and recommend for approval by the Board all remuneration and pensions of the officers of the Company. As recommended in the TSE Guidelines, the Governance and Human Resources Committee is also responsible for reviewing the adequacy and form of compensation of the directors, having regard to the responsibilities and risks involved in being an effective director, recruiting and recommending to the Board nominees for election or appointment as new directors, assessing and enhancing the effectiveness and performance of the Board and its committees and monitoring and developing the Company's governance system. The Board, in view of its current size, has not established a formal system for evaluation of individual directors.

Mandate and Responsibilities of the Board

The TSE Guidelines provide that a board of directors should explicitly assume responsibility for the stewardship of a corporation. The mandate of the Company's Board is to supervise the management of the business and affairs of the Company. The Board establishes the overall policies for the Company and monitors and evaluates the Company's strategic direction and retains plenary power for those functions not specifically delegated by it to management.

The TSE Guidelines recommend that a board of directors should assume responsibility for the adoption of a strategic planning process. Long-term goals and strategies for the Company are developed as part of an annual strategic planning process with the Board. In 2001, the Company developed a long-run strategic plan. The strategic planning process also includes the preparation of a detailed one-year operating plan. Through this process, led by the CEO and senior management of the Company, the Board adopts the operating plan for the coming financial year and monitors senior management's relative progress through a regular reporting and review process. The Board reviews on a quarterly basis the extent to which the Company has met the current year's operating plan.

The TSE Guidelines recommend that a board of directors should identify a corporation's principal business risks and ensure implementation of appropriate risk management systems. The Board has identified the principal risks of the Company's business and monitors, through established systems and procedures, the efficiency and use of forestry resources, processing facilities and monetary resources as well as compliance with regulatory standards and ISO 14001 standards and certification under the American Forest & Paper Associations Sustainable Forestry Initiative (SFI)SM Program. The primary regulatory compliance risk relates to adherence to the Forest Practices Code of British Columbia, the Private Land Forest Practices Regulation of British Columbia and environmental standards. The Environment, Health and Safety Committee of the Board establishes policy, practice and control mechanisms and conducts regular reviews of issues and audits.

The TSE Guidelines recommend that a board of directors should assume responsibility for succession planning, including appointing, training and monitoring senior management. Through its Governance and Human Resources Committee, the Board reviews all appointments of officers. The Governance and Human Resources Committee also has responsibility for assessing the requirements and performance, on an overall basis, of the CEO and officers in order to recommend salaries and incentive awards for performance. The CEO has in place a process whereby senior managers develop objectives, review them with the CEO and are measured against them. In addition, the Company follows a succession planning and training process to develop managers. The Board, in turn, reviews senior management's succession plan.

The TSE Guidelines recommend that a board of directors should assume responsibility for a corporation's communications policy. The Company conducts an active Unitholder relations program, under the direction of the chief financial officer of the Company. The program involves meeting with a broad spectrum of investors, including open briefing sessions for analysts, investment fund managers and others with respect to reported financial results and other announcements by the Company. The chief financial officer reports regularly to the Board with respect to these matters.

The TSE Guidelines recommend that a board of directors should assume responsibility for the integrity of a corporation's internal control and management information systems. The Board, through its Audit Committee, meets with the Company's external auditors to discuss the results of the annual audit which includes, in accordance with generally accepted auditing standards, a review of the Company's financial systems and related internal controls. The Audit Committee also reviews the Company's internal control and management information systems, as part of financial risk assessment, annually with management.

Decisions Requiring Prior Approval by the Board

The Board has delegated to the CEO and senior management the responsibility for day-to-day management of the business of the Company, subject to compliance with the plans approved from time to time by the Board. In addition to those matters which must by law or by the Articles of the Company be approved by the Board, the Board has specified limits to management's responsibility as recommended in the TSE Guidelines, and retains responsibility for significant changes in the Company's affairs such as approval of major capital expenditures, debt and equity financing arrangements and significant acquisitions and divestitures.

Expectations of Senior Management

As part of its annual strategic planning process, the Board's expectations of senior management over the next financial year, and in the context of the longer term strategic plan, are specified. As recommended in the TSE Guidelines, the Board also reviews and approves the annual corporate performance objectives for which the CEO is responsible. The CEO and other members of the senior management team review the Company's progress at Board and committee meetings, normally held every quarter. The reviews report on strategic, operational and financial issues facing the Company.

Other

The TSE Guidelines recommend that a corporation should provide an orientation and education program for new directors. In addition to having extensive discussions with the Chairman of the Board and the CEO with respect to the business and operations of the Company, a new director receives an orientation package which includes a record of public and other information concerning the Company and prior minutes of meetings of the Board and applicable committees. In addition, the Board tours the Company's operations on a periodic basis in order to assist the directors in better understanding the Company's business.

The TSE Guidelines recommend that a board of directors should implement a system which enables an individual director to engage an outside advisor at the expense of the corporation in appropriate circumstances. Individual directors of the Company may engage outside advisors at any time at the Company's expense, subject to the approval of the Chairman of the Board, to provide advice with respect to a corporate decision or action.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed in this Information Circular, none of the directors or senior officers of the Company, no management nominee for election as a director of the Company, none of the persons who have been directors or senior officers of the Company since the beginning of the Company's last completed financial year and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, in any matter to be acted upon at the Meeting other than the election of directors.

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

Since the commencement of the most recently completed financial year of the Company, no insider of the Company, nor any person proposed to be elected as a director of the Company, nor any associate or affiliate of such persons, has had any material interest in any transaction involving the Company.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No director, executive officer or senior officer of the Company, no proposed nominee for election as a director of the Company, and no associate of any such director, officer or proposed nominee, at any time during the most recently completed financial year has been indebted to the Company or any of its subsidiaries or had

indebtedness to another entity which is, or has been, the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries, other than, in each case, "routine indebtedness" (as defined under applicable securities laws) or which was entirely repaid before the date hereof.

None of the persons described above, nor any other officer or employee or former officer, director or employee of the Company or any of its subsidiaries has been indebted to the Company or otherwise incurred indebtedness described above in connection with the purchase of securities of the Company or any of its subsidiaries.

ADDITIONAL INFORMATION

The Company will provide to any person or company, upon request to the Secretary of the Company, copies of the Company's Annual Information Form (together with a copy of any document, or the pertinent pages of any document, incorporated therein by reference), the Company's comparative consolidated financial statements for its most recently completed financial year together with the accompanying report of the auditor, any interim financial statements of the Company subsequent to the financial statements for the Company's most recently completed financial year and the Company's information circular in respect of its most recent annual meeting of Unitholders. The Company may require the payment of a reasonable charge if the request for information is made by a person who is not a securityholder of the Company.

EFFECTIVE DATE

Except as otherwise specified, the information set forth in this Information Circular is provided as of March 15, 2002.

APPROVAL OF THE BOARD

The contents of this Information Circular have been approved and its mailing has been authorized by the Board of Directors of the Company.

DATED as of the 15th day of March 2002.

BY ORDER OF THE BOARD OF DIRECTORS

Beverlee F. Park
Secretary