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TIMBERWEST REAL ESTATE ANNOUNCES POTENTIAL LAND DEVELOPMENT

Lands Near Expanding Campbell River Airport Expected to Generate Significant Interest

Vancouver (BC) – TimberWest has reached a significant milestone with the completion of the rezoning of 166 hectares of land near the Campbell River airport. The parcel – which is adjacent to the entrance of the airport – is now zoned industrial and will be targeted for a wide variety of potential uses.

“We expect local, provincial and even international interest in this property from aerospace, distribution and other industries,” said John Hendry, Vice President, TimberWest Real Estate. “These lands have the benefits of being next to an expanding airport, having utilities in place, and being located in a very cost-competitive location like Campbell River, which itself is part of one of the most attractive destinations in the world – Vancouver Island.”

TimberWest was successful in its application to exclude this marginal agricultural land from the Agriculture Land Reserve (ALR) in exchange for putting 480 hectares/acres of higher quality agricultural land into the ALR.

“The land that we have added to the ALR has a prime rating of Class 1 to 3, while the land that was excluded had agricultural capability ratings of Class 4 and 5,” added Hendry. “This is an excellent example of how we can use our landholdings to increase the ALR and make available greenfield sites for industrial development that brings with it new jobs, infrastructure and investment.”

Today’s announcement is the culmination of three years of work and owes a significant amount to the due diligence of the ALC’s process and TimberWest’s close working relationship with the City of Campbell River.

“We consider the City to be a partner in this endeavor,” said Hendry, “and our relationship a model for land development opportunities we hope to replicate in other communities across Vancouver Island.”

Representatives from the City of Campbell River were also pleased with this development and optimistic about its potential.

“Today’s announcement is great news for Campbell River as the expansion of the airport has been identified as one of the City’s top priorities for 2008 and into the future,” said Campbell River Mayor Roger McDonnell.

These comments were echoed by Brenda-Lee Paul, the Chief Executive Officer (CEO) of Rivercorp, the City’s economic development agency.



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“This is also another example of how the City will continue to diversify its economy,” she noted. “We already have significant interest at the local college in the aerospace industry – the program offered through the college has seen a significant increase in enrollments this year – and successful marketing of these lands could provide new jobs for those students and economic benefits for the City.”

This initiative also supports the needs of the tenants and business currently operating at or around the airport.

“It is important to my business because it gives us room to grow,” said Bill Alder of Sealand Aviation Ltd., which is located at the airport and employs 30 people who specialize in overhauling, rebuilding and repairing small aircraft. “And it also provides interesting potential opportunities for other businesses and industries like mine.”

Next step is to begin marketing the newly zoned lands to industrial developers and end users alike.

“We will be working with the City of Campbell River and Rivercorp on a comprehensive marketing strategy that will include looking at the widest possible range of potential companies who might be interested in these lands,” concluded Hendry.

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TIMBERWEST FOREST CORP.

About TimberWest

TimberWest Forest Corp. is uniquely positioned as Western Canada's largest private land management company. The Company owns in fee simple approximately 322,000 hectares or 796,000 acres of private land, including 75 kilometres of waterfront, that over the previous five calendar years, have provided an annual average timber harvest of 2.565 million m³ of logs and have an approximate annual growth rate of 8.0 m³ per hectare per year on the productive land base. These lands are located on Vancouver Island and the majority of the land base supports the growth of Douglas fir, a premium tree species sought after for structural purposes. TimberWest runs fully-contracted harvesting operations. With almost 80% of the Company's annual private land logging now being done in second-growth stands, TimberWest leads the Coastal industry in the growing and harvesting of second-growth timber.

TimberWest also owns renewable Crown harvest rights to 0.7 million m³ of logs per year and operated a sawmill located near Campbell River, BC until May 9, 2008.

In addition, approximately 54,000 hectares, or 134,000 acres (approximately 17% of the Company's landholdings) of the Company's lands have been identified as having greater value as real estate properties and will progressively be made available for higher uses over the next ten to fifteen years. Five land classifications have been developed for the Company's 39,000 acres of core development lands. An additional 41,000 acres adjacent to our core development lands have yet to be classified for specific development opportunities, and some 54,000 acres of non-core higher and better use lands will be sold "as is" over time with little additional planning or zoning work undertaken. The Company reviews its land base on a periodic basis to update the size of its portfolio of higher use properties.

The Company's independent auditor, KPMG Performance Registrar Inc., periodically certifies that the forest management practices on both the Company's private and public timberlands continue to meet all Sustainable Forestry Initiative (SFI[®]) requirements. SFI requirements specify that forest harvesting is integrated with environmental and conservation goals for soil, wildlife, water quality protection, conservation of biodiversity, protection of special sites and aesthetics in a manner that ensures a sustainable harvest over the long-term.

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Stapled Units of TimberWest Forest Corp. are traded on the Toronto Stock Exchange under the symbol: TWF.UN

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