



TimberWest Forest Corp. Corporate Disclosure Policy

Date: **October 2005**

OBJECTIVE AND SCOPE

The objective of this Corporate Disclosure policy is to ensure that communications to the investing public about the Company and its subsidiaries are:

- Timely, factual and accurate; and
- Broadly disseminated in accordance with all applicable legal and regulatory requirements.

This disclosure policy extends to all employees of the Company, its board of directors, those authorized to speak on its behalf and all other insiders. It covers disclosures in documents filed with the securities regulators, financial and non-financial disclosure, including management's discussion and analysis (MD&A) and written statements made in the Company's annual and quarterly reports, news releases, letters to unitholders, presentations by senior management and information contained on the Company's Web site and other electronic communications.

The policy extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls.

References to the "Company" include TimberWest Forest Corp. and all of its wholly-owned subsidiaries.

RELATED POLICIES

Maintaining confidentiality is a key aspect of disclosure policy. The TimberWest Code of Business Conduct and Ethics' "Confidential Information Policy" provisions are reaffirmed and incorporated by reference into this policy.

The Policy Governing Securities Trading and Reporting Policy for Restricted Persons will continue to apply to the Directors, Officers and Designated Employees of the Company. Trading restrictions that apply to other employees with access to material undisclosed information are discussed below under "Trading Restrictions and Blackout Periods".

DISCLOSURE COMMITTEE

The Disclosure Committee of TimberWest ("Committee") is comprised of the Executive of the Company, which includes the President and CEO, the CFO, all Vice Presidents and the Corporate Controller/Secretary. The Committee is responsible for all regulatory disclosure requirements and for overseeing the Company's disclosure practices. The Committee is responsible for ensuring appropriate systems, processes and controls for disclosure are in place and representatives of the Committee will review all recurring and non-recurring news releases and core disclosure documents prior to their release or filing, including the Company's MD&A.

The Committee will assess the materiality of disclosures and will use experience, judgment and if necessary, consultation with legal counsel to determine the timing for public release of material information. The timing for public release of material information will be decided on in consultation with the CEO, CFO and the Corporate Controller.

It is essential that the Committee be kept fully apprised of all pending material Company developments in order to evaluate and discuss those events and to determine the appropriateness and timing for public release of information. If it is deemed that the information should remain confidential, the Committee will determine how that inside information will be controlled.

The Committee will review and update, if necessary, this disclosure policy on an annual basis or as needed to ensure compliance with changing regulatory requirements. The Committee is also responsible for ensuring that Company spokespersons receive adequate training.

PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION

Material information is any information relating to the business and affairs of the Company that results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions. In complying with the requirement to disclose forthwith all material information under applicable laws and stock exchange rules, the Company will adhere to the following basic disclosure principles:

1. Material information will be publicly disclosed immediately via news release. If required, a material change report will be filed promptly thereafter with the appropriate securities regulators.
2. In certain circumstances, the Committee may determine that such disclosure would be unduly detrimental to the Company, in which case the information will be kept confidential until the Committee determines it is appropriate to publicly disclose. In such circumstances, the Committee may cause a confidential material change report to be filed with the applicable securities regulators, and will periodically (at least every 10 days) review its decision to keep the information confidential (also see 'Rumours').
3. Disclosure must include any information the omission of which would make the rest of the disclosure misleading (half truths are misleading).
4. Unfavourable material information must be disclosed as promptly and completely as favourable information.
5. No selective disclosure. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an interview with an analyst or in a telephone conversation with an investor). If previously undisclosed material information has been inadvertently disclosed, such information must be broadly disclosed immediately via news release.
6. Disclosure should be consistent among all audiences, including the investment community, the media, customers and employees.
7. Disclosure on the Company's Web site alone does not constitute adequate disclosure of material information.
8. Disclosure must be corrected immediately if the Company subsequently learns that earlier disclosure by the Company contained a material error at the time it was given.

Disclosure of material information is permitted in the “necessary course of business,” which includes disclosure to:

- a) employees, officers and board members;
- b) lenders, legal counsel, auditors, financial advisors and underwriters;
- c) parties to negotiations;
- d) government agencies and non-governmental regulators; and
- e) credit rating agencies.

However, when the Company discloses material information in the necessary course of business, it should ensure that those receiving the information understand the confidential nature of the information.

TRADING RESTRICTIONS AND BLACKOUT PERIODS

It is illegal for anyone directly or indirectly to purchase or sell securities of any public company with knowledge of material information affecting that company that has not been publicly disclosed. Except in the necessary course of business, it is also illegal for anyone to inform any other person of material non-public information. Therefore, insiders and employees with knowledge of confidential or material information about the Company or counter-parties in negotiations of material potential transactions are prohibited from trading securities of the Company or any counter-party until the information has been fully disclosed and a reasonable period of time has passed for the information to be widely disseminated. This prohibition applies to enrolment, amendments to contributions, partial withdrawals, suspensions or terminations under the Payroll Deduction Employee Stapled Unit Purchase Plan.

The policy governing Securities Trading and Reporting Policy for Restricted Persons will continue to apply to the Directors, Officers and Designated Employees of the Company. Pursuant to the Policy Governing Securities Trading and Reporting Policy for Restricted Persons, blackout periods may be prescribed from time to time by the Chief Executive Officer, the Chief Financial Officer or the Corporate Secretary as a result of special circumstances relating to the Company pursuant to which insiders of the Company would be precluded from trading in securities of the Company.

All parties with knowledge of such special circumstances should be covered by the blackout. Such parties may include external advisors such as legal counsel, investment bankers and counter-parties in negotiations of material potential transactions.

DESIGNATED SPOKESPERSONS

The Company designates a limited number of spokespersons responsible for communication with the investment community. The CEO, the CFO, and the Corporate Controller shall be the official spokespersons for the Company with the investment community. Individuals holding these offices may, from time to time, designate others within the Company to speak on behalf of the Company as back-ups or to respond to specific inquiries.

Employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, unless specifically asked to do so by an authorized spokesperson. All such inquiries shall be referred to the Corporate Controller. As discussed below under “Director Contact with Investors”, directors of the Company may interact with investors, subject to the provisions of this policy.

NEWS RELEASES

Once the Committee determines that a development is material, it will authorize the issuance of a news release, unless the Committee determines that such developments must remain confidential for the time being, appropriate confidential filings are made and control of that inside information is instituted. Should a material statement inadvertently be made in a selective forum, the Company will immediately issue a news release in order to fully disclose that information.

News releases containing earnings guidance and financial results will be reviewed by the Audit Committee or board prior to issuance. Financial results will be publicly released immediately following board approval of the MD&A, financial statements and notes. The Board of Directors will be advised of all non-recurring material news releases.

If the stock exchange(s) upon which stapled units of the Company are listed is open for trading at the time of a proposed announcement, prior notice of a news release announcing material information must be provided to the exchange's market surveillance department to enable a trading halt, if deemed necessary by the stock exchange(s). If a news release announcing material information is issued outside of trading hours, market surveillance must be notified before the market opens.

News releases will be disseminated through an approved news wire service that provides simultaneous national and/or international distribution. Full-text news releases will be transmitted to all stock exchange members, relevant regulatory bodies, major business wires, national financial media and the local media in areas where the Company has its headquarters and operations.

News releases will be made available on the Company's Web site immediately after release over the news wire. The news release page of the Web site shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent news releases.

CONFERENCE CALLS

Conference calls that are to be held for quarterly earnings and major corporate developments will be preceded by a news release containing all relevant material information and simultaneously webcast over the Internet. During the call, a Company spokesperson will provide appropriate cautionary language with respect to any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties applicable to the news.

The Company will provide advance notice of the conference call and webcast by issuing a news release announcing the date and time and providing information on how interested parties may access the call and webcast. These details will be provided on the Company's Web site. In addition, the Company may send invitations to analysts, institutional investors, the media and others. Any non-material supplemental information provided to participants will also be posted to the Web site for others to view.

A tape recording of the conference call and/or an archived audio webcast on the Internet will be made available following the call for a minimum of 30 days, for anyone interested in listening to a replay.

The participants in a conference call will hold a debriefing meeting immediately after the conference call and if such debriefing uncovers selective disclosure of previously undisclosed

material information, the Company will immediately disclose such information broadly via a news release.

RUMOURS

The Company does not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. The Company's spokespersons will respond consistently to those rumours, saying, "It is our policy not to comment on market rumours or speculation." Should the stock exchange request that the Company make a definitive statement in response to a market rumour that is causing significant volatility in the stock, the Committee will consider the matter and decide whether to make a policy exception.

MANAGEMENT CONTACTS WITH ANALYSTS AND INVESTORS

Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If the Company intends to announce material information at an analyst or shareholder meeting or a press conference or conference call, the announcement must be preceded by a news release.

The Company supports meetings with analysts and significant investors as an important element of the Company's investor relations program. The Company will meet with analysts and investors on an individual or small group basis as appropriate and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this disclosure policy.

The Company will not:

1. Discriminate among recipients of information disclosed by the Company based on the recipient's prior research, opinions, recommendations earnings estimates, or conclusions;
2. Restrict, deny, or threaten to deny information or access to company representatives in an attempt to influence the research, recommendations or actions of analysts and investors; or
3. Attempt to influence the research, recommendations or actions of analysts or investors by exerting pressure through other business relationships (such as investment banking relationships or pension fund investment mandates).

Given the variety of demands on management's time, it may not always be feasible to fulfill every request from investors and analysts for direct access to executive officers. However, a designated TimberWest staff member with appropriate understanding of investor relations will respond to all capital market related inquiries.

The Company will provide only non-material information through individual and group meetings, in addition to regular publicly disclosed information. The Company cannot alter the materiality of information by breaking down the information into smaller, non-material components.

The Company will provide on request the same sort of detailed, non-material information to individual investors or the general public that it has provided to analysts and institutional investors and may post this information on its Web site.

DIRECTOR CONTACTS WITH INVESTORS

In fulfilling their responsibilities as the representatives of unitholders, directors may receive meeting requests from investors (either directly or through Investor or Unitholder Relations), and directors may wish to initiate meetings with key investors to obtain investor feedback directly.

Investor requests for contact with directors that are received by management will be assessed by management. All investor requests for contact with directors that are received by management will be reported to the Chairman of the Board, together with the reasons why any requests are refused. Directors should refer to the Chairman of the Board any inquiries that are received directly from investors.

As management representatives may or may not be present during contacts between directors and investors, directors should restrict their comments in those circumstances to governance matters that have been publicly disclosed. Any questions from investors regarding business operations, strategy or financial results should be referred to management representatives in order to minimize the risk of selective disclosure of material non-public information.

REVIEWING ANALYST DRAFT REPORTS AND MODELS

From time to time, upon request, management will review analysts' draft research reports or models. The Company will review the report or model for the purpose of pointing out errors in facts based on publicly disclosed information. The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's model and earnings estimates.

In order to avoid appearing to "endorse" an analyst's report or model, the Company will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

LIMITS ON DISTRIBUTING ANALYST REPORTS

Analyst reports are proprietary products of the analyst's firm. Re-circulating a report by an analyst may be viewed as an endorsement by the Company of the report. For these reasons, the Company will not provide analyst reports through any means to persons outside of the Company or to employees of the Company, including posting such information on its Web site. Notwithstanding the foregoing, the Company will distribute analyst reports to its directors and senior management to monitor the communications of the Company and how corporate developments are affecting the analysis.

Analyst reports may also be provided to the Company's financial and professional advisors in the necessary course of business. The Company may post on its Web site a complete list, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on the Company. If provided, such list will not include links to the analysts' or any other third party Web sites or publications.

FORWARD-LOOKING INFORMATION

A consistent approach to disclosure is important. Should the Company elect to disclose forward-looking information (FLI) in continuous disclosure documents, speeches, conference calls, etc.; the following guidelines will be observed:

1. The information, if deemed material, will be broadly disseminated via news release, in accordance with this disclosure policy.

2. The information will be clearly identified as forward looking.
3. The Company will identify all material assumptions used in the preparation of the forward-looking information.
4. The information will be accompanied by a statement that identifies, in very specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected in the statement.
5. The information may be accompanied by supplementary information such as a range of reasonably possible outcomes or sensitivity analysis to indicate the extent to which different business conditions may affect the actual outcome.
6. The information will be accompanied by a statement that disclaims the Company's intention or obligation to update or revise the FLI, whether as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially off target, the Company may choose to issue a news release explaining the reasons for the difference. In such a case, the Company will update its guidance on the anticipated impact on revenue and/or earnings (or other affected key metrics).

MANAGING EXPECTATIONS

The Company will try to ensure, through its regular public dissemination of quantitative and qualitative information that analysts' estimates are in line with the Company's own expectations. The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with analysts' models and earnings estimates.

If the Company has determined that it will be reporting results materially below or above publicly held expectations, it will disclose this information in a news release in order to enable discussion without risk of selective disclosure (see "Forward-Looking Information").

QUIET PERIODS

In order to avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Company will observe a quarterly quiet period, during which the Company will not initiate any meetings or telephone contacts with analysts and investors and no earnings guidance will be provided to anyone, other than responding to unsolicited inquiries concerning factual matters.

The quiet period commences on the first day of the month following the end of a quarter and ends with the issuance of a news release disclosing quarterly results.

If the Company is invited to participate, during a quiet period, in investment meetings or conferences organized by others, the CEO and CFO will determine, on a case-by-case basis, if it is advisable to accept these invitations. If accepted, extreme caution will be exercised to avoid selective disclosure of any material, non-public information.

DISCLOSURE RECORD

The Corporate Controller will maintain a five year file containing all public information about the Company, including continuous disclosure documents, news releases, analysts' reports, transcripts or tape recordings of conference calls, debriefing notes, and notes from meetings and telephone conversations with analysts and investors.

ELECTRONIC COMMUNICATIONS

This disclosure policy also applies to electronic communications. Accordingly, officers and personnel responsible for written and oral public disclosures shall also be responsible for electronic communications.

The Committee is responsible for establishing and monitoring processes that ensure that all Company information placed on the Web site is accurate, complete, up-to-date and in compliance with relevant securities laws.

Investor relations material shall be contained within a separate section of the Company's Web site and shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures.

All data posted to the investor section of the Web site, including text and audiovisual material, shall show the date such material was issued. Any material changes in information must be updated immediately, following the issuance of a news release.

The Company's spokespersons shall also be responsible for responses to electronic inquiries from investors and financial analysts. Only public information or information which could otherwise be disclosed in accordance with this disclosure policy shall be utilized in responding to electronic inquiries.

In order to ensure that no material undisclosed information is inadvertently disclosed, directors, officers and employees are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to the Company's activities or its securities. Employees who encounter a discussion pertaining to the Company should advise a member of the Disclosure Committee immediately, so the discussion may be monitored.

COMMUNICATION AND ENFORCEMENT

This disclosure policy extends to all directors, officers and employees of the Company. Relevant aspects of the policy will be communicated to all directors, officers and employees.

Violations of this policy will result in the Company taking appropriate action, including possible discharge from employment. The violation of this disclosure policy may also violate certain securities laws. If it appears that an employee may have violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.