



**For immediate release: October 1, 2002**

**PRESS RELEASE**

**TIMBERWEST ANNOUNCES CLOSING OF PUBLIC OFFERING OF SENIOR  
UNSECURED DEBENTURES AND RECOGNIZES ONE-TIME CHARGE FOR HEDGE  
TRANSACTION**

VANCOUVER, October 1/CNW/ - TimberWest Forest Corp. today announced the closing of its public offering of \$130 million aggregate principal amount of 7.0% unsecured senior debentures due October 1, 2007. The debentures were sold at 99.552% of their principal amount, with the net proceeds amounting to approximately \$127.8 million. TimberWest will use the net proceeds to repay indebtedness under its existing credit facilities.

In anticipation of this debenture offering, TimberWest entered into an interest rate hedge transaction. On closing out this transaction, due to the decline in interest rates, TimberWest realized a \$5.0 million loss. TimberWest has elected a conservative accounting treatment and will take this one-time charge to earnings and distributable cash for the quarter ended September 30, 2002.

TimberWest Stapled Units are listed on the Toronto Stock Exchange under the symbol "TWF.UN".

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