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TIMBERWEST AND THE UNITED STEEL WORKERS NEGOTIATE NEW AGREEMENT

Vancouver (BC) – TimberWest Forest Corp. has endorsed a new agreement with the United Steelworkers Union (USW) Local 1-80 and Local 1-363, ending a strike that has been in effect since the summer of 2007. Ratification will be conducted by the USW with its membership.

“We are very pleased that TimberWest and the USW were able to agree on a new contract model that will ultimately provide for a more viable future for the Coastal forest industry,” said TimberWest’s President and CEO Paul McElligott. “The improved contractor model, which allows for more ‘medium sized’ long term contractors, will put TimberWest on a more stable footing with its major global competitors in this very difficult time in the industry.”

The final agreement contains several key features:

- The new contractor model allows the company to sub-divide operations to medium sized unionized contractors working on TimberWest’s land base.
- The subdivided contracts will be for five year terms.
- A signing bonus for qualified contractor employees and for qualified engineers and foresters.
- The agreement acknowledges TimberWest as a timberland management company, not an operating company.
- All outstanding grievances, including the defamation law suit between TimberWest and the USW have been resolved.

TimberWest believes this agreement provides a more manageable, workable and viable system for contractors that will continue to protect the rights of the United Steelworkers, create the ability for more operators to enter the marketplace, maintain environmental performance, and improve overall safety.

“The Coastal forest industry continues to be in a period of crisis and this agreement will help us to emerge stronger,” said Dave Whiteley, Vice President of Timberland Operations. “This new agreement represents a simplified model that allows for safe, competitive and stable logging operations.”

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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 and generates distributable cash for unitholders from the sale of timber products and real estate.

TimberWest Forest Corp.

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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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