

WHISTLEBLOWER PROCEDURE



GENERAL

The TimberWest Code of Business Conduct and Ethics (“Code”) requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Company, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

REPORTING RESPONSIBILITY

It is the responsibility of all directors, officers and employees to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Procedure.

NO RETALIATION

No director, officer or employee who in good faith reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequences. Any effort to retaliate against any person making a complaint in good faith is strictly prohibited and shall be reported immediately to the Corporate Secretary. Retaliation against someone who has reported a violation in good faith is subject to discipline.

REPORTING VIOLATIONS

The Code addresses the company’s open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee’s supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor’s response, you are encouraged to speak with someone in the Human Resources Department or anyone in management whom you are comfortable in approaching. Supervisors and managers are required to report suspected violations of the Code to the company’s Corporate Secretary, who has specific and exclusive responsibility to investigate all reported violations. For suspected fraud or securities law violations, or when you are not satisfied or uncomfortable with following the Company’s open door policy, individuals should contact the company’s Corporate Secretary directly.

CORPORATE SECRETARY

The company’s Corporate Secretary is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code and shall advise the President and CEO, the CFO and/or the Audit Committee. He/she has direct access to the Audit Committee of the Board of Directors and is required to report to the Committee at least annually on his/her compliance activity. The Company’s Corporate Secretary is Brenda Blue. Brenda’s direct telephone line is 604-654-4620. If you are not comfortable speaking with Brenda or Brenda is unavailable and the matter is urgent, you may contact the Chair of the Audit Committee, Ms. Maria Pope via email at auditchair@timberwest.com .

ACCOUNTING AND AUDITING MATTERS

The Audit Committee of the Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing matters. The Corporate

Secretary shall immediately notify the Audit Committee of any such complaint and work with the committee until the matter is resolved.

ACTING IN GOOD FAITH

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code and is real, legitimate and significant enough to warrant an investigation.

CONFIDENTIALITY

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

To ensure that complaints can be submitted confidentially or anonymously when employees so choose, the company has two other formal means by which employees may communicate complaints, which include:

- a. An e-mail address to which complaints may be forwarded anonymously; and
- b. The interoffice mail (or regular mail or other means of delivery, addressed to the corporate office address), by which complaints may be submitted in a sealed envelope marked "Private and Strictly Confidential – Attention: Chair of the Audit Committee of TimberWest Forest Corp. Being submitted pursuant to Whistleblower Procedure", which envelope shall be forwarded unopened to the Chair of the Audit Committee.

Non-employees may submit complaints by mail or other means of delivery to the corporate office address, either addressed to the Corporate Secretary or marked "Private and Strictly Confidential – Attention: Chair of the Audit Committee of TimberWest Forest Corp.", which envelope shall be forwarded unopened to the Chair of the Audit Committee. These procedures shall be posted on the external website.

HANDLING OF REPORTED VIOLATIONS

The Corporate Secretary will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

RETENTION OF RECORDS OF COMPLAINTS

Records pertaining to a complaint are the property of the company and shall be retained:

- a. In compliance with applicable laws and document retention policies;
- b. Subject to safeguards that ensure their confidentiality, and, when applicable, the anonymity of the person making the complaint; and
- c. In such a manner as to maximize their usefulness to the company's overall compliance program.

TREATMENT OF COMPLAINTS

- a. All complaints shall be treated as confidential, whether received anonymously or otherwise.

- b. Although a person making an anonymous complaint may be advised that maintaining anonymity could hinder an effective investigation, the anonymity of the person making the complaint shall be maintained until the person indicates that he or she does not wish to remain anonymous. Any system established for exchanging information with a complainant shall be designed to maintain anonymity.
- c. The Chair of the Audit Committee shall inform the Audit Committee, in summary form or otherwise, of all complaints received, with an initial assessment as to the appropriate treatment of each complaint. Assessment, investigation, and evaluation of complaints shall be conducted by, or at the direction of, the Audit Committee. If the Audit Committee deems it appropriate, the committee may engage, at the company's expense, independent advisors, such as outside legal counsel or auditors who are not affiliated with the company's auditor for the purpose of undertaking of any investigation and/or recommending appropriate action.
- d. Following investigation and evaluation of a complaint, the Chair of the Audit Committee shall report to the Audit Committee the recommended disciplinary or remedial action, if any.
- e. The company will regard the making of any deliberately false or malicious allegations by an employee of the Company as a serious offence which may result in disciplinary action up to and including dismissal for cause. The action determined by the committee to be appropriate under the circumstance, including disciplinary action up to and including dismissal for cause, shall then be brought to the Board or the appropriate members of Senior Management for authorization or implementation, respectively. If the action taken to resolve a complaint is deemed by the Audit Committee to be material or otherwise appropriate for inclusion in the minutes of the meetings of the Audit Committee, it shall be so noted in the minutes.
- f. Reasonable and necessary steps will also be taken to prevent any further violations of policy.