



For immediate release: July 27, 2010

Asian Demand Driving Strong Quarterly Results at TimberWest

Vancouver (BC) – TimberWest Forest Corp. announced today that it has registered its strongest normalized quarterly results in three years generating positive EBITDA of \$9.7 million and positive distributable cash of \$4.0 million in Q2, 2010. This compares to an EBITDA loss of \$3.7 million and a distributable cash loss of \$5.4 million in Q2, 2009.

The Company attributed its improved performance to an increase in sales and prices both domestically and abroad during the quarter. Strong Asian sales, lower unit costs of production, achieved primarily from higher harvest volumes, and cost restructuring initiatives implemented over the past two years, contributed to improved performance. Stronger real estate sales proceeds quarter over quarter also contributed to the turnaround in results.

The Company's CEO, Paul McElligott, noted that "Japan remains a strong timber market for the Company and more volume was shipped to China and Korea in the first few months of 2010 than all 12 months of 2009. We are pleased with our market diversification program, which has proven to be both timely and important while North American markets recover." The Company also noted its debt to total capitalization ratio and liquidity improved during the quarter with the May 18, 2010 closing of a \$60.0 million public offering of Stapled Units, the proceeds of which were applied to reduce the Company's operating credit facility.

Details on the Company's quarter and full Q2, 2010 Quarterly Report can be obtained at www.timberwest.com.

About TimberWest

TimberWest Forest Corp. is uniquely positioned as western Canada's largest private timber and land management company. The Company owns in fee simple approximately 320,000 hectares or 791,000 acres of private land and is in the business of selling timber products and real estate.

Quarterly Conference Call

TimberWest will hold a conference call at 7:00am (Pacific) on Wednesday, July 28, 2010, to discuss results of the second quarter. To access the conference call, listeners should dial 1-800-926-4481. For those unable to participate in the live call, a recording of the call will be available until August 11, 2010, and can be accessed at 1-800-558-5253 using code 21473305. The conference call will also be broadcast live over the internet via TimberWest's website home page at <http://www.timberwest.com>. The webcast will be archived and available for an additional 90 days.

Contact

Robert Allen
Vice President Finance and
Chief Financial Officer
Telephone: 604-654-4600

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

TimberWest Forest Corp.

Suite 2300, 1055 West Georgia Street
PO Box 11101
Vancouver, BC V6E 3P3
Telephone: 604-654-4600
Facsimile: 604-654-4571
www.timberwest.com