

**Canfor Pulp Income Fund** 

**Annual General and Special Meeting of Unitholders  
April 27, 2010**

**DR. CHARLES JAGO  
Chairman's Speech**

Last year, reflecting back on what had been a very challenging year for the pulp and paper industry and for Canfor Pulp, I stated the following:

I am confident that CPLP will weather the current market downturn and will again reward our investors with the returns they expect and deserve. In the meantime, I can assure them, and other stakeholders, that CPLP is a well-managed company, with a commitment to employee safety and overall social responsibility, that will be even stronger in the years ahead.

Looking back on these comments, they sound prophetic. We did, in fact, experience a positive market turnaround relatively early in 2009 and by autumn, pulp inventories were approaching historic lows and prices had significantly recovered. We all appreciate that this is a cyclical business, but the cyclical low and high experienced over the past year or so have been unusually dramatic.

As an Income Trust established in 2006, CPLP has flourished under the leadership of Paul Richards, a remarkable and talented CEO. In addition to his unparalleled knowledge of this industry, Paul has used his leadership skills to help shape a very strong executive team. His mentoring style is

what might best be described as provocative, but the results speak for themselves as the company has achieved record levels of productivity under his guidance.

There is also a very special relationship that develops over time between a CEO and an independent Board Chair – in this case a CEO with exceptional expertise in the industry and a retired academic facing something totally new. In the course of our very candid conversations, I have certainly learned a lot. We have achieved a partnership that has been very rewarding. Paul and I have not always agreed, but we have always honoured our respective roles and worked amicably and, I believe, effectively together.

I would say the same for the entire Board. Paul never left any of us unaware of where he stood on issues, but we always came to decisions respectfully and effectively. The team always performed as a united team.

We wish Paul all the best in the next stage of his life. He will be missed at Canfor Pulp, but his legacy is the executive team he leaves behind. Under the leadership of Joe Nemeth, I will again become prophetic and state categorically that Canfor Pulp Limited Partnership and Canfor Pulp Income Fund, which will soon become Canfor Pulp Products Inc., will continue to flourish for many years to come.