

**Canfor Pulp Products Inc.** 

**Annual General Meeting of Shareholders  
May 3, 2011**

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

Under the strong leadership provided by President and CEO, Joe Nemeth, and his management team, Canfor Pulp Limited Partnership and Canfor Pulp Products Incorporated have enjoyed a very profitable year. While our success can be measured by the monthly returns paid to our fund unitholders during 2010, our last year as an income trust, or by the rise in the value of CPPI shares since its formation as an equity company on January 1, I believe our true measure of success is the way we are preparing for the future.

During the past year, our four major proposals for funding under the Government of Canada Green Transformation Fund program have all been approved and are well underway. With a total capital expenditure exceeding \$150M, most of these projects will enhance the productivity of our three Prince George mills and increase our capacity to produce green energy while also providing major environmental benefits for the residents of that city.

Joe Nemeth has also led the board in a very comprehensive and disciplined approach to strategic planning. We are operating in a very dynamic

economic and social environment and it is important that the Company explore all options for continued success for many years to come.

Again, I wish to thank my fellow Board members for their dedication to the success of Canfor Pulp and for their active and intelligent contribution to its governance. On behalf of the Board, I also want to thank all of our employees for their continued dedication and contribution over the year. We are opening a new chapter in the history of this Company that will continue to engage and challenge us as we move both the company and the pulp industry generally, forward into a new era of greater product diversity and more stable returns.