

**FORM OF PROXY
CANFOR PULP INCOME FUND
PROXY SOLICITED BY MANAGEMENT
FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF UNITHOLDERS
TO BE HELD ON APRIL 27, 2010**

The undersigned Unitholder of Canfor Pulp Income Fund (the "Fund") hereby appoints Charles J. Jago, a Trustee of the Fund, or failing him, Stan E. Bracken-Horrocks, a Trustee of the Fund, or in the place of the foregoing _____ of _____ as proxyholder of the undersigned with full power of substitution to attend, act and vote for the undersigned in respect of all matters that may come before the Annual General and Special Meeting (the "Meeting") of the Fund to be held on April 27, 2010 and every adjournment thereof and the undersigned hereby revokes any proxy previously given to attend and vote at the Meeting.

Unless the undersigned directs otherwise, the proxyholder will vote FOR the following matters:

VOTING CHOICE ON RESOLUTIONS

1. Plan of Arrangement

A special resolution, the full text of which is set forth in Appendix "A" to the information circular of the Fund dated March 16, 2010 (the "Information Circular"), to approve a plan of arrangement under section 288 of the *Business Corporations Act* (British Columbia) and all transactions contemplated thereby, all as more particularly described in the Information Circular.

FOR AGAINST

2. Election of Trustees

Stan E. Bracken-Horrocks
Donald W. Campbell
Charles J. Jago

	FOR	WITHHOLD VOTE
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>

3. Appointment of Auditors

Appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as auditors for the Fund.

FOR WITHHOLD
VOTE

The proxyholder may at his/her discretion vote upon any amendments or variation of the above matters or any other matters that may properly be brought before the Meeting or any adjournment thereof.

TO BE SIGNED AND DATED ON REVERSE HEREOF

Over

NOTES

1. You may appoint a proxyholder to represent you at the Meeting other than the persons named above by inserting the name of your proxyholder, who need not be a unitholder of the Fund, in the space provided for that purpose.
2. The securities represented by this form of proxy will be voted as directed by the holder, however, if such a direction is not made in respect of any matter, the securities represented by this form of proxy will be voted FOR the matters set out as (1) to (3) on the reverse hereof.
3. The securities represented by this form of proxy will be voted or withheld from voting, in accordance with the instructions of the holder, on any ballot that may be called for and, if the holder has specified a choice with respect to any matter to be acted upon, the securities will be voted accordingly.
4. This form of proxy should be read in conjunction with the accompanying information circular provided by the Fund.
5. This form of proxy must be signed and dated by the unitholder or his/her attorney duly authorized in writing or, if the unitholder is a corporation, by an officer or attorney thereof duly authorized. If this form of proxy is not dated, it will deemed to bear the date on which it is mailed by the Fund to the holder.
6. To be valid, this form of proxy duly signed and any power of attorney or other authority under which it is signed must be deposited with the Fund's Transfer Agent, CIBC Mellon Trust Company, Suite 1600, 1066 West Hastings Street, Vancouver, British Columbia, V6E 3X1, or the Secretary of the Fund, not less than 24 hours (excluding Saturdays and holidays) before the time of the Meeting.

Unitholders who are unable to be present at the Meeting are requested to date, sign and return this form of proxy.

DATED this _____ day of _____, 2010.

Signature of Unitholder

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Name and address as registered (Please notify the Fund of any changes in your address.)	