

CANFOR PULP PRODUCTS INC. (“CPPI”) and CANFOR PULP LIMITED PARTNERSHIP (the “Partnership”) collectively (the “Company”)

WHISTLEBLOWING POLICY

BACKGROUND

There are a number of policies in effect in the Company which permit or require employees to report their concerns to management. Particular examples are the “Code of Conduct” and “Disclosure Policy”. Also, as part of the quarterly sign-off procedure, Senior Managers are specifically required to notify the Corporate Controller of any known frauds.

While reference is made in these policies to reporting of issues to management at various levels, the issue of confidentiality and/or anonymity is not conclusively addressed.

PROCEDURE

THE COMPANY WILL NOT TAKE OR ALLOW ANY REPRISAL AGAINST AN EMPLOYEE WHO, IN GOOD FAITH, REPORTS VIOLATIONS OF ANY OF THE ABOVE POLICIES.

As of the date of issue of this policy, any employee who suspects financial misconduct, fraud, misappropriation of company assets, or other violations of the above policies, may communicate such concerns in confidence as follows:

1. By calling 1-866-6CANFOR (1-866-622-6367) and leaving a voice message.
2. By sending an email message to whistleblower@canfor.com

It is up to the employee making contact whether to leave a name. To send an anonymous email message, the employee should use <http://online.canfor.ca/whistleblower/default.htm> to fill in the message content, then press a Send Button which will send the information to the account above. This approach will keep the sender anonymous.

The Manager of Internal Audit has sole access to both the telephone and email messaging systems. At his discretion, the Manager of Internal Audit may follow up on communications received, and any issues relating to improper accounting or the possibility of fraud will be pursued with the Chair of the Audit Committee. Other issues will be pursued with the General Manager, Human Resources.

ADMINISTRATION

The Manager of Internal Audit is responsible for administering this program.