



NEWS BACKGROUNDER

August 9, 2018

AFFILIATION OF TIMBERWEST AND ISLAND TIMBERLANDS TO ALLOW FOR SHARED USE OF FACILITIES, ENHANCED FOREST STEWARDSHIP AND ALIGNMENT OF BEST PRACTICES

The existing owners of TimberWest Forest Corporation (“TimberWest”) and Island Timberlands Limited Partnership (“Island Timberlands”) have entered into an agreement to provide for shared use of facilities, align best practices and enhance forest stewardship. [British Columbia Investment Management Corporation](#) (“BCI”) and the [Public Sector Pension Investment Board](#) (“PSP Investments”) acquired TimberWest in 2011. BCI and investing entities managed by [Alberta Investment Management Corporation](#) (“AIMCo”) have been limited partners in Island Timberlands since 2005.

TimberWest and Island Timberlands will continue to be stand-alone companies with no change in control while sharing corporate services. No significant changes are anticipated to sustainable harvest levels, contractor and field workforce employment as a result of this affiliation. Both companies will continue to process logs to meet the needs of domestic mills.

The affiliation will enable TimberWest and Island Timberlands to deliver a range of economic, social and environmental benefits by sharing facilities, forestry planning and best practices. The benefits include:

- ability to optimize logistics through the use of shared roads, sort yards and infrastructure;
- enhancing forest health through coordinated stewardship and silviculture across adjacent private timberlands;
- integrated best practice approach to watershed, ecosystem, species at risk and visual quality management;
- a commitment to seek extension of the [Progressive Aboriginal Relations](#) certification;
- improving safety outcomes by applying best practices across both operations;
- expanded recreational access, trail connections and campsites; and
- ongoing investment in forestry research and innovation, including an existing commitment of up to \$10m over five years to the [Digital Technology SuperCluster](#).

“As affiliated companies, TimberWest and Island Timberlands can each do more to plan and invest for the future of a stable and competitive coast forest sector,” said TimberWest CEO, Jeff Zweig.

“This new affiliation will position both companies for long-term success under strong Canadian ownership to the benefit of our many stakeholders and the communities where we live and work,” said Island Timberlands President, Darshan Sihota.

This affiliation is subject to customary closing conditions, including approval under the Competition Act (Canada).

For more information, please visit our websites at www.timberwest.com and www.islandtimberlands.com.