TIMBERWEST FOREST CORP.

CHANGE OF CONTROL NOTICE

TO: Holders ("**Holders**") of 9.0% Convertible Debentures (the "**Debentures**") of TimberWest Forest Corp. (the "**Company**")

NOTE: All capitalized terms used herein have the meaning ascribed thereto in the Trust Indenture mentioned below, unless otherwise indicated.

THIS NOTICE is given pursuant to Section 4.9 of the Trust Indenture dated as of February 11, 2009, as amended by the First Supplemental Indenture dated as of June 29, 2011 (hereafter, the "**Trust Indenture**") between the Company and Valiant Trust Company (the "**Debenture Trustee**").

The Company hereby gives notice that, as a result of the acquisition of all of the outstanding Stapled Units of the Company by TWF Acquisition Corporation on June 29, 2011 (the "**Change of Control Effective Date**"), a Change of Control of the Company has occurred.

Accordingly, in accordance with the terms of the Trust Indenture, the Company is exercising its Redemption Right, and shall redeem all outstanding Debentures (other than those Debentures held by bcIMC (PPTW) Investment Corporation and bcIMC (WCBAF PPTW) Investment Corporation or their assignees) at a price (the "**Change of Control Price**"), payable in cash, equal to:

(a) the outstanding principal amount of the Debentures being redeemed plus all accrued and unpaid interest on such principal amount as at the Change of Control Effective Date (the "**Redeemed Principal and Interest**"); and

(b) the amount the Holder thereof would have been entitled to receive as a result of the Change of Control if, on the Change of Control Effective Date, such Debentureholder had been the Holder of the number of Stapled Units to which immediately before such transaction such Debentureholder was entitled upon conversion of the principal amount of, and accrued and unpaid interest on, the Debentures, less the Redeemed Principal and Interest.

Please be advised that the date fixed for redemption is July 11, 2011 (the "**Redemption Date**"). On the Redemption Date, all Debentures so redeemed shall be considered not to be outstanding and the Holder shall not have any further rights under the Debentures or the Trust Indenture, except to receive such holder's total Change of Control Price upon surrender and delivery of such holder's Debentures to the Debenture Trustee.

The Company will deposit with the Debenture Trustee, prior to the Redemption Date, the total Change of Control Price payable to registered Holders of redeemed Debentures. In accordance with the Trust Indenture, Holders are required to deliver their Debentures ("**Redeemed Debentures**"), duly endorsed for transfer, to the Debenture Trustee by not later than July 21, 2011.

The Change of Control Price to which a Holder is entitled on redemption, less applicable withholding taxes, will be payable to such Holder upon surrender and delivery of such holder's Debentures to the Debenture Trustee at the following address:

Valiant Trust Company
Suite 600 – 750 Cambie Street
Vancouver, British Columbia, V6B 0A2

CANADIAN WITHHOLDING TAX AND US BACKUP WITHHOLDING

Enclosed with this Change of Control Notice is a Canadian withholding tax and US Federal Income Tax and Back-Up Withholding certification regarding the residency of the beneficial Holder of the Debentures being redeemed and U.S. backup withholding.

DATED: June 30, 2011

TIMBERWEST FOREST CORP.

Per: *"Robert R. Allen"*
Name: Robert R. Allen
Title: Vice President Finance
and Chief Financial Officer

A. CANADIAN WITHHOLDING TAX

The following certifications assume that the Holder is either (i) the beneficial owner of the Redeemed Debentures (the "**Beneficial Owner**") or (ii) holds the Redeemed Debentures on behalf of only one Beneficial Owner. **Holders holding Redeemed Debentures on behalf of more than one Beneficial Owner should provide the certifications below by completing Schedule A of this Letter of Transmittal.**

I. Tax Residency

All Holders must complete the following. See Instructions.

The undersigned certifies that the Beneficial Owner (please check one box only):

☐ is resident in Canada for purposes of the *Income Tax Act* (Canada) (the "**Tax Act**")

☐ is not resident in Canada for purposes of the Tax Act

II. Non-Residents of Canada

Holders are only required to complete the following if the Beneficial Owner is not resident in Canada for purposes of the Tax Act. See Instructions.

Applicability of a Tax Convention

Non-resident withholding tax will apply to certain amounts paid in respect of Redeemed Debentures beneficially owned by persons not resident in Canada for purposes of the Tax Act. Withholding tax will generally apply to that portion of the Change of Control Price which is deemed under the Tax Act to be interest at a rate of 25%. However, if the Beneficial Owner is entitled to the benefits of a tax convention entered into between Canada and the Beneficial Owner's country of residence (a "**Tax Convention**"), the withholding tax rate may be reduced to less than 25%. To benefit from a Tax Convention, the Holder must properly complete and provide the documentation described below.

The undersigned certifies that (please check one box only):

☐ The Holder (a) is the Beneficial Owner of the Redeemed Debentures and (b) has completed and provided Canada Revenue Agency Form NR301 – Declaration of Eligibility for Benefits Under a Tax Treaty for a Non-Resident Taxpayer (a "**Form NR301**")* which can be found at the Canada Revenue Agency website: http://www.cra-arc.gc.ca/E/pbg/tf/nr301/nr301-10e.pdf

☐ The Holder (a) is not the Beneficial Owner of the Redeemed Debentures and (b) has completed Schedule B of this Letter of Transmittal certifying that the Beneficial Owner is entitled to the benefits of a Tax Convention; or

☐ The Holder has not completed or provided Form NR 301 or Schedule B. FAILURE TO PROVIDE THIS INFORMATION WILL RESULT IN THE APPLICATION OF A 25% WITHHOLDING TAX RATE.

*** Partnerships or Hybrid Entities must complete Form NR 302 or Form NR 303, as applicable.**

B. U.S. FEDERAL INCOME TAX AND BACK-UP WITHHOLDING

Indicate whether you are a U.S. Holder (as defined below) or are acting on behalf of a U.S. Holder:

☐ The Holder is not a U.S. Holder and is not acting on behalf of a U.S. Holder

☐ The Holder is a U.S. Holder or is acting on behalf of a U.S. Holder

See Instructions below for information with respect to the meaning of "U.S. Holder". **If you are a U.S. Holder or are acting on behalf of a U.S. Holder then, in order to avoid to U.S. backup withholding, you must complete the Substitute Form W-9 on the following page or otherwise provide certification that you are exempt from backup withholding (as provided in Instructions)**

C. HOLDER SIGNATURE

This box must be signed by the Holder exactly as his, her or its name appears in the document evidencing the Redeemed Debentures held.

____
Name of Holder (Please print)

____
Signature of Holder or Authorized Signatory
(See Instruction 5)

____
Name and Capacity of Authorized Representative or Attorney
(If applicable)

____
Date

SUBSTITUTE FORM W-9

To be completed by U.S. Residents/Citizens only (See Instructions)

Under penalties of perjury, I certify that:

1. The social security or other taxpayer identification number stated below is my correct taxpayer identification number (or I am waiting for a number to be issued to me and have so indicated by writing “Applied For” in the space below for social security or taxpayer identification number)

2. I am not subject to backup withholding because: (a) I am exempt from backup withholding or (b) I have not been notified by the United States Internal Revenue Service (the “**IRS**”) that I am subject to backup withholding as a result of a failure to report interest or dividends or (c) the IRS has notified me that I am no longer subject to backup withholding, and

3. I am a U.S. person (including a U.S. resident alien).

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of under reporting interest or dividends on your tax return.

(Signature of Holder) (Date)

(Social Security or taxpayer identification number)

NOTE: FAILURE TO COMPLETE THIS FORM OR TO PROVIDE THE DEBENTURE TRUSTEE WITH A SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER MAY RESULT IN PENALTIES IMPOSED BY THE IRS AND BACKUP WITHHOLDING OF 28% OF ANY CONSIDERATION SUBJECT TO TAX TO BE DELIVERED TO YOU PURSUANT TO THE ARRANGEMENT.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU WROTE “APPLIED FOR” IN THE SPACE FOR THE “SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER” ABOVE.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me and either: (a) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate IRS Centre or Social Security Administration Office; or (b) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number within 60 days, 28% of all reportable consideration to be delivered to me thereafter may be withheld until I provide a number.

(Signature of Holder) (Date)

INSTRUCTIONS

1. Tax Residency – Canadian Withholding Tax

Canadian Resident Holders

To ensure that non-resident withholding tax is not withheld in respect of Redeemed Debentures beneficially owned by a person resident in Canada for purposes of the Tax Act (a "**Canadian Resident Beneficial Owner**"), the Holder must certify in Section I of Block A that the Canadian Resident Beneficial Owner is a resident of Canada. Canadian Resident Beneficial Owners and Holders holding Redeemed Debentures on behalf of a Canadian Resident Beneficial Owner are only required to complete Section I of Block A.

Non-Resident Holders

Non-resident withholding tax will apply in respect of Redeemed Debentures beneficially owned by a person who is not resident in Canada for purposes of the Tax Act (a "**Non-Resident Beneficial Owner**"). Non-Resident Beneficial Owners and Holders holding Debentures on behalf of a Non-Resident Beneficial Owner are required to complete Sections I and II of Block A.

Applicability of a Tax Convention

Non-resident withholding tax will apply at a rate of 25% to the portion of the Change of Control Price which is deemed to be interest unless a Tax Convention is applicable to reduce the withholding tax rate. Non-Resident Beneficial Owners eligible for a reduced rate of withholding will be subject to withholding tax at 25% unless the information indicated in Section II of Block A is properly completed and provided along with the Letter of Transmittal.

If the Holder is the Beneficial Owner of the Redeemed Debentures, the Holder must complete Form NR301 (or, in the case of a partnership or hybrid entity, Forms NR302 and NR303, as applicable).

If the Holder is not the Beneficial Owner of the Redeemed Debentures, the Holder is required to complete the certification set out in Schedule B to this Letter of Transmittal.

Holders who do not properly complete and provide Form NR301 (or, in the case of a partnership or hybrid entity, Form NR302 or NR303, as applicable) or Schedule B, will be assumed to be subject to 25% non-resident withholding tax rate.

2. U.S. Federal Income Tax and Back-Up Withholding

The following does not constitute a summary of the tax consequences of the redemption of the Debentures and Holders should consult with their own tax advisors regarding the tax consequences to the redemption of the Debentures as well as any elections that may be available to mitigate certain possible adverse U.S. tax consequences.

Each Holder who is a U.S. resident or citizen (a "**U.S. Holder**") is required to provide the Debenture Trustee with a correct Taxpayer Identification Number ("**TIN**") on the Substitute Form W-9 which is provided above, and to certify whether such holder is subject to backup withholding of federal income tax. If a U.S. Holder has been notified by the IRS that such he, she or it is subject to backup withholding, such U.S. Holder must cross out Item 2 of the Substitute Form W-9, unless such U.S. Holder has since been notified by the IRS that he, she or it is no longer subject to backup withholding. Failure to provide the information in the Substitute Form W-9 may subject a U.S. Holder to penalties imposed by the IRS and 28% federal income tax withholding on any consideration subject to tax due to such U.S. Holder in connection with the redemption of the Debentures. If withholding results in an overpayment of taxes, a refund may be obtained by the holder from the IRS.

Exempt holders (including, among others, all corporations) are not subject to backup withholding requirements. To prevent possible erroneous backup withholding, an exempt holder must enter its correct TIN or Employer Identification Number in the Substitute Form W-9 and sign and date the form.

If a U.S. Holder has not been issued a TIN and has applied for one or intends to apply for one in the near future, such U.S. Holder should write “Applied For” in the space provided for the TIN in the Substitute Form W-9, and sign and date the Substitute Form W-9 and the Certificate of Awaiting Taxpayer Identification Number. If “Applied For” is written in the Substitute Form W-9 and the Debenture Trustee is not provided with a TIN within 60 days, the Debenture Trustee may withhold 28% of all consideration due to such holder in connection with the Arrangement until a TIN is provided to the Debenture Trustee.

A U.S. HOLDER WHO FAILS TO PROPERLY COMPLETE THE SUBSTITUTE FORM W-9 SET OUT IN THIS LETTER OF TRANSMITTAL MAY BE SUBJECT TO PENALTIES IMPOSED BY THE IRS BACKUP WITHHOLDING OF 28% OF THE GROSS PROCEEDS OF ANY PAYMENTS OR TRANSFERS MADE TO SUCH HOLDER PURSUANT TO THE ARRANGEMENT. BACKUP WITHHOLDING IS NOT AN ADDITIONAL TAX. RATHER, THE TAX LIABILITY OF PERSONS SUBJECT TO BACKUP WITHHOLDING WILL BE REDUCED BY THE AMOUNT OF TAX WITHHELD. IF WITHHOLDING RESULTS IN AN OVERPAYMENT OF TAXES, A REFUND MAY BE OBTAINED BY FILING A TAX RETURN WITH THE IRS. THE DEBENTURE TRUSTEE CANNOT REFUND AMOUNTS WITHHELD BY REASON OF BACKUP WITHHOLDING.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES IN THIS LETTER OF TRANSMITTAL IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON BY SUCH HOLDERS, FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON SUCH HOLDERS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS BEING USED IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) EACH HOLDER SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Schedule A

TO BE COMPLETED BY HOLDERS HOLDING DEBENTURES ON BEHALF OF MORE THAN ONE BENEFICIAL OWNER

Country of Residence of Beneficial Owners of Redeemed Debentures	Number of Redeemed Debentures Held	Withholding Tax Rate[1]
Canada		Not Applicable
United States		
Total (attach an additional schedule if more space is needed)		

By completing this Schedule A, the Holder hereby certifies that: (a) the Holder holds the number of Redeemed Debentures indicated above in the row entitled "Canada" on behalf of persons resident in Canada for purposes of the Tax Act; and (b) with respect to Beneficial Owners not resident in Canada who are eligible for withholding tax rates of less than 25%, the Redeemed Debentures indicated above, registered in the Holder's name, are held solely for the beneficial ownership of persons resident in the country indicated and eligible to claim tax treaty benefits under a tax treaty between Canada and the country indicated above which provides for a Canadian withholding tax rate as indicated above on interest, including deemed interest, paid or credited in respect of such property.
DA
By completing this Schedule A, the Holder undertakes to provide to the Company and the Canada Revenue Agency, upon request, such information as may be necessary to substantiate the accuracy of the information contained herein, such as information substantiating the date of acquisition, Form NR301, NR302, or NR303, or the information requested in these forms received from the Beneficial Owners or payees.

[1] As the interest is being considered "participating interest", the proper withholding tax rate for beneficial owners entitled to the benefits of the Canada-United States Tax Convention is 15%. Under most other Tax Conventions, the withholding tax rate is 10%.

Schedule B

TO BE COMPLETED BY HOLDERS HOLDING DEBENTURES ON BEHALF OF NON-RESIDENT BENEFICIAL OWNERS

TO: TimberWest Forest Corp

RE: Redeemed Debentures of TimberWest Forest Corp.

I/We, _______________________ (insert name of Holder), hereby certify that the Redeemed Debentures, which are registered in my/our name, are held solely for the beneficial ownership of a person resident in _________________________________ (insert country) and eligible to claim tax treaty benefits under a tax treaty between Canada and the country of residence which provides for a Canadian withholding tax rate of _____ %[1] on interest, including deemed interest, paid or credited in respect of such property.

I/We undertake to provide to the Canada Revenue Agency, upon request, such information as may be necessary to substantiate the accuracy of the information contained herein, such as Form NR301, NR302, or NR303, or the information requested in these forms received from the beneficial owners or payees.

Dated, ________________________, 2011.

____

(Signature of Holder or authorized signatory)

[1] As the interest is being considered “participating interest”, the proper withholding tax rate for beneficial owners entitled to the benefits of the Canada-United States Tax Convention is 15%. Under most other Tax Conventions, the withholding tax rate is 10%.