This document is important and requires your immediate attention. If you are in doubt as to how to deal with it, you should consult your investment dealer, stock broker, bank manager, lawyer, accountant or other professional advisor. The Offer has not been approved or disapproved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of the Offer or upon the adequacy of the information contained in this document. Any representation to the contrary is unlawful.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, nor will deposits be accepted from or on behalf of, Shareholders residing in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. However, Western may, in its sole discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and to extend the Offer to Shareholders in such jurisdiction.

OFFER

BY
WESTERN FOREST PRODUCTS INC.

TO PURCHASE FOR CASH UP TO $100,000,000 IN VALUE OF ITS COMMON SHARES AND NON-VOTING SHARES AT A PURCHASE PRICE OF NOT LESS THAN $1.30 AND NOT MORE THAN $1.50 PER SHARE

Western Forest Products Inc. ("**Western**" or the "**Company**") hereby offers (the "**Offer**") to purchase from holders ("**Shareholders**") of common shares and non-voting shares of Western (collectively, the "**Shares**") up to an aggregate of $100 million in value of the Shares pursuant to (i) auction tenders at prices specified by the depositing Shareholders of not less than $1.30 and not more than $1.50 per Share ("**Auction Tenders**"), as specified by such Shareholder, or (ii) purchase price tenders without specifying a price ("**Purchase Price Tenders**"), in either case upon the terms and subject to the conditions set forth in this offer to purchase (this "**Offer to Purchase**") and Circular (the "**Circular**" and together with this Offer to Purchase, the "**Offer and Circular**") and in the accompanying letter of transmittal (the "**Letter of Transmittal**") and (if applicable) notice of guaranteed delivery (the "**Notice of Guaranteed Delivery**"). Shareholders who wish to deposit Shares without specifying a price at which such Shares may be purchased by the Company should make a Purchase Price Tender. Under a Purchase Price Tender, Shares will be purchased, upon the terms and subject to the conditions of the Offer, at the Purchase Price (as defined below) determined as provided herein. Shareholders who validly deposit Shares without specifying whether they are making an Auction Tender or a Purchase Price Tender, or who specify that they are making an Auction Tender but fail to specify a price for such Auction Tender, will be deemed to have made a Purchase Price Tender.

The Offer expires at 5:00 p.m. (Toronto time) on August 12, 2013, unless extended, varied or withdrawn (the "Expiry Date").

The Offer is not conditional upon any minimum number of Shares being deposited to the Offer. However, the Offer is subject to certain conditions that are customary for a transaction of this nature. Western expressly reserves the right to withdraw the Offer and not take up and pay for any Shares deposited under the Offer unless the conditions described in Section 6 of the Offer to Purchase, "Conditions of the Offer" are satisfied or waived.

Western will, upon the terms and subject to the conditions of the Offer, determine a single price per Share (the "**Purchase Price**") (which will be not less than $1.30 and not more than $1.50 per Share) that it will pay for each Share validly deposited pursuant to the Offer and not withdrawn, taking into account the number of Shares deposited pursuant to Auction Tenders and Purchase Price Tenders and the prices specified by Shareholders depositing Shares pursuant to Auction Tenders. Shares deposited pursuant to Purchase Price Tenders will be deemed to have been deposited at a price of $1.30 per Share for purposes of determining the Purchase Price (which is the minimum Purchase Price under the Offer). The Purchase Price will be the lowest price per Share between not less than $1.30 and not more than $1.50 per Share at which Shares have been validly deposited, or have been deemed to be deposited, under the Offer that will enable Western to purchase the maximum number of Deposited Shares (as defined below) having an aggregate purchase price not exceeding $100 million or such lower aggregate purchase price that the board of directors of Western (the "**Board of Directors**") in its discretion, determines to be in the best interests of the Company. Shares deposited by Shareholders pursuant to Auction Tenders will not be purchased by the Company pursuant to the Offer if the price specified by Shareholders with respect to such Shares is greater than the Purchase Price.

Each Shareholder who has validly deposited Shares pursuant to an Auction Tender at or below the Purchase Price or pursuant to a Purchase Price Tender, and who has not validly withdrawn such Shares, will receive the Purchase Price, payable in cash (subject to applicable withholding taxes, if any), for all Shares purchased, upon the terms and subject to the conditions of the Offer, including the provisions relating to pro-ration and the preferential acceptance of Odd Lots (defined below). Western will first accept for purchase Shares validly deposited by any Shareholder who beneficially holds, as of the close of business on the Expiry Date, fewer than 100 Shares in the aggregate ("**Odd Lots**") and who deposits all such Shares pursuant to an Auction Tender at a price equal to or less than the Purchase Price or pursuant to a Purchase Price Tender and who checks, in either case, Box C captioned "Odd Lots" in the accompanying Letter of Transmittal or, if applicable, the Notice of Guaranteed Delivery.

Shareholders validly depositing Shares pursuant to Auction Tenders at $1.30 per Share (the minimum purchase price under the Offer) and Shareholders validly depositing Shares pursuant to Purchase Price Tenders can reasonably expect to have such Shares purchased at the Purchase Price if any Shares are purchased under the Offer (subject to the pro-ration provisions and the preferential acceptance of Odd Lots described herein).

If more Shares are validly deposited for purchase prior to the Expiry Time (and not withdrawn in accordance with Section 5 of the Offer to Purchase, "**Withdrawal Rights**") at the Purchase Price than can be purchased for $100 million, the deposited Shares will be purchased on a *pro rata* basis according to the number of Shares validly deposited or deemed to be deposited by Shareholders pursuant to the Offer (with adjustments to avoid the purchase of fractional Shares), except that Odd Lot deposits will not be subject to pro-ration. See Section 5 of the Offer to Purchase, titled "Withdrawal Rights".

Promptly after the Expiry Date or termination of the Offer, Western will return all Shares not purchased due to pro-ration and Shares not accepted for purchase, including all Shares deposited pursuant to Auction Tenders at prices in excess of the Purchase Price.

The Common Shares (as defined below) are listed and posted for trading on the Toronto Stock Exchange ("**TSX**") under the symbol "WEF". On June 28, 2013, the last Trading Day immediately prior to the announcement of the Offer, the closing price per Common Share on the TSX was $1.26. The maximum Purchase Price under the Offer represents a premium of approximately 15% over the daily volume weighted average trading price of the Common Shares on the TSX of $1.30 for the last 30 Trading Days preceding the date of Western's announcement.

The Board of Directors of Western has unanimously authorized and approved the Offer. However, none of the Company, its Board of Directors nor Computershare Investor Services Inc., the Depositary for the Offer, makes any recommendation to Shareholders as to whether to deposit or refrain from depositing any or all of such Shareholder's Shares to the Offer. Shareholders are strongly urged to review and evaluate carefully all information in the Offer and Circular, to consult their own financial, tax and legal advisors, and to make their own decisions as to whether to deposit Shares to the Offer and, if so, how many Shares to deposit and at what price or prices. Western is making the Offer as an equitable and efficient means to distribute an aggregate of $100 million in cash to Shareholders, while at the same time proportionately increasing the equity interest in Western of Shareholders who do not deposit their Shares to the Offer. The intention of the directors and officers of the Company to deposit any Shares held by them pursuant to the Offer is discussed in Section 7 of the Circular titled "Interests of Directors and Officers and Ownership of Securities of Western".

Shareholders should carefully consider the income tax consequences of accepting the Offer and depositing Shares to the Offer. See Section 9 of the Circular, titled "Certain Canadian Federal Income Tax Considerations".

No person has been authorized to make any recommendation on behalf of Western as to whether Shareholders should deposit or refrain from depositing Shares pursuant to the Offer. No person has been

authorized to give any information or to make any representations in connection with the Offer other than as set forth in the Offer to Purchase or the accompanying Circular, Letter of Transmittal and Notice of Guaranteed Delivery. If given or made, any such recommendation or any such information or representation must not be relied upon as having been authorized by Western, its Board of Directors or the Depositary.

Shareholders wishing to deposit all or any portion of their Shares pursuant to the Offer must comply in all respects with the delivery procedures described herein. See Section 4 of the Offer to Purchase, titled "Procedure for Depositing Shares" and the Letter of Transmittal and Notice of Guaranteed Delivery accompanying this Offer and Circular for further details.

Any questions or requests for assistance may be directed to the Depositary at the addresses and telephone and facsimile numbers set forth on the back cover page of this Offer and Circular.

The Offer expires at 5:00 p.m. (Toronto time) on August 12, 2013, unless extended, varied or withdrawn.

July 2, 2013

INFORMATION FOR UNITED STATES SHAREHOLDERS

This Offer is made by Western, a Canadian issuer, for its own securities, and this Offer to Purchase and accompanying Circular has been prepared by Western in accordance with the disclosure requirements of applicable Canadian law. Shareholders in the United States should be aware that these disclosure requirements may be different from those of the United States or other jurisdictions. Financial statements of Western have been prepared in accordance with Canadian generally accepted accounting principles and are subject to Canadian auditing and auditor independence standards and, therefore, they may not be comparable to financial statements of United States companies.

The enforcement by Shareholders of civil liabilities under the United States federal securities laws may be adversely affected by the fact that Western is formed under the laws of Canada, that a majority of its directors and officers are residents of Canada, that the experts named in the Offer and Circular are residents of Canada, and that all of Western's assets are located outside of the United States. Shareholders in the United States may not be able to sue Western or its directors or officers in a foreign court for violations of United States securities laws. It may be difficult to compel such parties to subject themselves to the jurisdiction of a court in the United States or to enforce any judgment obtained from a court of the United States.

Shareholders should be aware that acceptance of the Offer and disposition of the Shares as described herein may have tax consequences both in the United States and in Canada. **United States income tax consequences of Shareholders are not described herein and Shareholders are urged to consult their tax and legal advisors as to the application of U.S. federal income tax laws to their particular circumstances, as well as to any state, local or foreign income or other tax consequences of a disposition of Shares pursuant to the Offer.** Shareholders resident in Canada are urged to review Section 9 of the Circular, titled "Certain Canadian Federal Income Tax Considerations" for certain details concerning the Canadian federal income tax consequences applicable to acceptance of the Offer and a disposition of the Shares as described herein.

FORWARD LOOKING INFORMATION

This Offer to Purchase and accompanying Circular, including the statements and information contained in the Offer to Purchase under the Sections titled "The Offer", "Purchase Price", "Number of Shares and Pro-Ration", "Acceptance for Payment and Payment for Deposited Shares" and "Extension and Variation of the Offer" and in the Circular under the Sections titled "Purpose and Effect of the Offer", "Interests of Directors and Officers and Ownership of Securities of Western – Effect of the Offer on Voting Interests", "Material Changes in the Affairs of Western and Other Material Facts", "Certain Canadian Federal Income Tax Considerations" and "Fees and Expenses", may contain statements that, to the extent they are not statements of historical fact, constitute forward-looking information and forward-looking statements which reflect the current view of Western with respect to the Company's objectives, plans, goals, strategies, future growth, results of operations, financial and operating performance and business prospects and opportunities. Wherever used, the words "may", "will", "anticipate", "intend", "expect", "estimate", "plan", "believe" and similar expressions identify forward-looking statements and forward-looking information. Forward-looking statements and forward-looking information should not be read as guarantees of future events, performance or results, and will not necessarily be accurate indications of whether, or the times at which, such events, performance or results will be achieved. All of the statements and information in this Offer to Purchase and accompanying Circular containing forward-looking statements or forward-looking information are qualified by these cautionary statements.

Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and represent management's best judgment based on facts and assumptions that management considers reasonable. The material assumptions upon which such forward-looking statements are based include, among others, assumptions with respect to: satisfaction or waiver of the conditions to the Offer; the extent to which holders of Shares determine to tender their Shares to the Offer and the price or prices at which such Shares are tendered; the anticipated benefits of the Offer; market and general economic conditions; future costs and expenditures, including that there are no material unanticipated variations in the cost of supplies; available harvest levels; the fact that operating and capital plans will not be disrupted by issues such as mechanical failure, unavailability of parts and supplies, labour disturbances, interruption in transportation or utilities, or adverse weather conditions; the Company's ability to continue to attract and retain skilled staff; and future operating performance, objectives and strategies. The Company makes no representation that reasonable business people in possession of the same information would reach the same conclusions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: general economic conditions, competition and selling prices, changes in foreign currency exchange rates, labour disruptions, natural disasters, relations with First Nations groups, changes in laws, regulations or public policy, misjudgments in the course of preparing forward-looking statements or information, changes in opportunities, as well as those factors discussed in the Company's continuous disclosure documents.

Although management of the Company has attempted to identify important factors (which it believes are reasonable) that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

For additional information with respect to certain of these and other risks or uncertainties, reference should be made to Western's continuous disclosure materials filed from time to time with the Canadian Securities Regulatory Authorities, including the Company's annual information form, quarterly and annual reports and financial statements and notes thereto, and supplementary information, which are available on SEDAR at www.sedar.com and on the Company's website at www.westernforest.com. Additional risks and uncertainties not presently known to the Company or that Western currently believes to be less significant may also adversely affect the Company. Western disclaims any intention or obligation to update or revise any forward-looking information or forward-looking statements, whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

NOTICE REGARDING INFORMATION

Certain information contained in this Offer and Circular is based solely upon, and Western has relied, without independent verification, exclusively upon information that has been provided by third party sources or that is otherwise publicly available. None of the Company or its Board of Directors assumes any responsibility for the accuracy or completeness of such information or for any failure by any such third party to disclose events or facts that may have occurred or may affect the significance or accuracy of any such information.

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SUMMARY

*The following general summary ("**Summary**") is solely for the convenience of Shareholders and is qualified in its entirety by reference to the full text and more specific details in the Offer. This Summary highlights material information relating to this Offer, but it is not meant to be a substitute for the information contained in the Offer to Purchase, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery. Therefore, we urge you to carefully read the Offer to Purchase, Circular, Letter of Transmittal and Notice of Guaranteed Delivery in their entirety prior to making any decision regarding whether or not to deposit your Shares or the price or prices at which you may choose to deposit Shares to the Offer. We have included cross-references in this Summary to other sections of the Offer to Purchase, Circular, Letter of Transmittal and the Notice of Guaranteed Delivery where you will find a more complete discussion of the topics mentioned in this Summary. Unless otherwise defined in this Summary, capitalized terms have the meaning assigned to them under the section titled "Glossary" below.*

WHO IS OFFERING TO PURCHASE MY SHARES?

Western Forest Products Inc., which we refer to as "we", "us", "Western" or the "Company", is offering to purchase Shares for cancellation.

WHY IS WESTERN MAKING THE OFFER?

We are making the Offer because the Board of Directors believes that the Offer is an appropriate allocation of the capital resources available to the Company and that the Offer will benefit those who choose to remain Shareholders following closing of the Offer.

Since January, 2011, the Company has reported improved operating and financial results that have resulted in the cumulative generation of $134 million of cash flow from operations and generated proceeds of $48 million from the sale of non-core assets. The Company has used this capital to pay down $100 million in debt and has re-invested $62 million in the operations of the business. At March 31, 2013, the Company had no debt and available liquidity of $207 million, including credit facilities. Further, as we reported to you with the results from the first quarter of 2013, the U.S. housing recovery is accelerating, driving increased demand for lumber.

Considering these and other factors, on July 2, 2013, the Board of Directors announced that it would make this Offer to purchase Shares for cancellation. As the Board of Directors believes that having a modest amount of debt on our balance sheet would be appropriate and sustainable, it is intended that $100 million of our available credit lines would be used to repurchase the Shares for cancellation pursuant to this Offer. See Section 3 of the Circular, titled "Purpose and Effect of the Offer".

The Board of Directors also announced on July 2, 2013 that it would begin paying a regular quarterly dividend of initially $0.02 per Share. Any such dividend will be declared and paid in the discretion of the Board of Directors, but it is expected that the first quarterly dividend will be paid on September 20, 2013 to shareholders of record on September 1, 2013.

WHY IS WESTERN MAKING AN OFFER FOR THE NON-VOTING SHARES?

Pursuant to Section 3.5 of Schedule "A" to Western's articles, the Non-Voting Shares (as defined below) are required to be treated identically by the Company in the event of an issuer bid by the Company in respect of the Common Shares.

WHAT WILL THE PURCHASE PRICE FOR THE SHARES BE AND WHAT WILL BE THE FORM OF PAYMENT?

The price range for the Offer is $1.30 to $1.50 per Share. We are conducting the Offer through a procedure commonly referred to as a modified "Dutch Auction". This procedure allows you to choose a price within this price range at which you are willing to sell your Shares. As promptly as practicable after 5:00 p.m. (Toronto time) on August 12, 2013, we will, upon the terms and subject to the conditions of the Offer, determine a single Purchase Price (which will be not less than $1.30 and not more than $1.50 per Share) that we will pay for Shares validly deposited pursuant to the Offer and not withdrawn, taking into account the number of Shares deposited pursuant to

Auction Tenders and Purchase Price Tenders and the prices specified by Shareholders depositing Shares pursuant to Auction Tenders. Shares deposited pursuant to Purchase Price Tenders will be deemed to have been deposited at a price of $1.30 per Share for purposes of determining the Purchase Price (which is the minimum price per Share under the Offer). Shareholders who validly deposit Shares without specifying whether they are making an Auction Tender or a Purchase Price Tender will be deemed to have made a Purchase Price Tender.

The Purchase Price will be the lowest price per Share between not less than $1.30 and not more than $1.50 per Share at which Shares have been deposited or have been deemed to be deposited under the Offer that will enable us to purchase the maximum number of Shares deposited pursuant to the Offer, having an aggregate purchase price not exceeding $100 million or such lower aggregate purchase price that the Board of Directors, in its discretion, determines to be in the best interests of the Company. We will publicly announce the Purchase Price promptly after we have determined it and, in accordance with the terms and subject to the conditions of the Offer (including the pro-ration provisions), we will pay the Purchase Price in cash to all Shareholders who have validly deposited (and have not withdrawn) their Shares pursuant to Auction Tenders at prices equal to or less than the Purchase Price or pursuant to Purchase Price Tenders, subject to applicable withholding taxes. See Section 2 of the Offer to Purchase, titled "Purchase Price".

HOW WAS THE PURCHASE PRICE RANGE DETERMINED?

The price range was determined after reviewing a number of precedent transactions and is consistent with the ranges used in such transactions. On June 28, 2013, the last Trading Day immediately prior to the announcement of the Offer, the closing price per Common Share on the TSX was $1.26.

WHEN WILL WESTERN ISSUE ITS UPCOMING FINANCIAL RESULTS?

The Company expects to issue its financial statements for the second quarter on July 31, 2013. Shareholders will have twelve days to review the financial and operating results prior to the expiry of the Offer. **We encourage you to review the second quarter financial statements, as well as the other information contained in the Offer to Purchase and Circular, and consult your own advisors as you consider how to respond to the Offer.**

HOW MANY SHARES WILL WESTERN PURCHASE IN THE OFFER?

We will purchase, at the Purchase Price, Shares validly deposited under the Offer and not withdrawn up to an aggregate maximum purchase price of $100 million. Since the Purchase Price will only be determined after 5:00 p.m. (Toronto time) on August 12, 2013 (or such later date and time if the Expiry Time of the Offer is extended), the number of Shares that will be purchased will not be known until after that time. If the Purchase Price is determined to be $1.30 per Share, the minimum Purchase Price under the Offer, the maximum number of Shares that will be purchased under the Offer is 76,923,076 Shares. If the Purchase Price is determined to be $1.50 per Share, the maximum Purchase Price under the Offer, the minimum number of Shares that will be purchased under the Offer is 66,666,666 Shares.

As at June 28, 2013, there were 468,051,483 Shares (consisting of 251,218,424 Common Shares and 216,833,059 Non-Voting Shares) issued and outstanding. The maximum of 76,923,076 Shares that Western is offering to purchase hereunder represents approximately 16% of the total number of Shares issued and outstanding as at June 28, 2013. The minimum of 66,666,666 Shares that Western is offering to purchase hereunder represents approximately 14% of the total number of Shares issued and outstanding as at June 28, 2013. See Section 3 of the Offer to Purchase, titled "Number of Shares and Pro-ration".

WHAT HAPPENS IF THE NUMBER OF SHARES DEPOSITED TO THE OFFER WOULD RESULT IN AN AGGREGATE PURCHASE PRICE OF MORE THAN $100 MILLION?

If the number of Shares validly deposited to the Offer prior to 5:00 p.m. (Toronto time) on August 12, 2013 (and not withdrawn) pursuant to Auction Tenders at a price equal to or less than the Purchase Price and pursuant to Purchase Price Tenders would result in an aggregate purchase price in excess of $100 million, then such Shares will be purchased in the following priority:

- without pro-ration, all Shares deposited or deemed to be deposited for purchase at a price equal to or less than the Purchase Price by holders of Odd Lots of less than 100 Shares who have deposited all of their Shares to the Offer; and
- on a *pro rata* basis, all other Shares validly deposited or deemed to be deposited for purchase at a price equal to or less than the Purchase Price (subject to adjustments to avoid the purchase of fractional Shares).

See Section 3 of the Offer to Purchase, titled “Number of Shares and Pro-ration”.

HOW CAN I MAXIMIZE THE CHANCE THAT MY SHARES WILL BE PURCHASED?

If you wish to maximize the chance that your Shares will be purchased, you should check the box next to “Purchase Price Tender” in the section of the Letter of Transmittal called “Type of Tender”. In this way, your deposited Shares will be treated the same as Shares deposited at the minimum price of $1.30 per Share and you can reasonably expect to have such deposited Shares purchased at the Purchase Price if any Shares are purchased under the Offer (subject to pro-ration and the preferential acceptance of Odd Lots). To maximize the number of Shares purchased, you should ensure that all of your Shares are tendered to the Offer.

If you select to deposit on an “Auction Tender” basis and the price you specify is higher than the final Purchase Price, your Shares will not be purchased. If you are willing to have your Shares purchased at any price, you should select the “Purchase Price Tender” alternative, as there is a significant chance that your Shares will not be purchased if you specify a price under the “Auction Tender” alternative.

See Sections 2 and 3 of this Offer to Purchase.

CAN I DEPOSIT MY SHARES AT DIFFERENT PRICES?

Yes. You can elect to deposit some of your Shares to the Offer at one price and other Shares at one or more other prices. If you desire to deposit Shares in separate lots at a different price for each lot, you must complete a separate Letter of Transmittal (and, if applicable, a Notice of Guaranteed Delivery) for each price at which you are depositing Shares. You may not deposit the same Shares pursuant to both an Auction Tender and a Purchase Price Tender, or pursuant to an Auction Tender at more than one price. See Section 4 of the Offer to Purchase, titled “Procedure for Depositing Shares”. However, as noted above, if you are willing to have your Shares purchased at any price, you should select the “Purchase Price Tender” alternative, as there is a significant chance that your Shares will not be purchased if you specify a price under the “Auction Tender” alternative.

HOW DO I DEPOSIT MY SHARES?

In order to deposit Shares pursuant to the Offer, you must either:

(a) if you are a Registered Shareholder:

(i) deliver your share certificate(s) for all Shares validly deposited pursuant to the Offer in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) with any required signatures guaranteed by an Eligible Institution, and any other documents required by the Letter of Transmittal, to the Depositary at its Toronto, Ontario office address set forth on the back cover of the Offer and Circular, prior to 5:00 p.m. (Toronto time) on August 12, 2013 (or such later date and time if the expiry time of the Offer is extended); or

(ii) follow the guaranteed delivery procedures or the book-entry transfer procedure described under Section 4 of the Offer to Purchase, titled “Procedure for Depositing Shares”; or

(b) if you are a Non-Registered Shareholder:

(i) if you wish to deposit Shares under the Offer and your Shares are registered in the name of an investment dealer, stockbroker, bank, trust company or other nominee, you should immediately contact your nominee in order to take the necessary steps to be able to deposit your Shares under the Offer. See Section 4 of the Offer to Purchase, titled "Procedure for Depositing Shares".

You may deposit Shares pursuant to the Offer either pursuant to an "Auction Tender" or a "Purchase Price Tender". You may deposit some Shares pursuant to an Auction Tender and others pursuant to a Purchase Price Tender.

Auction Tender: If you are making an Auction Tender, you must specify the minimum price per Share (of not less than $1.30 and not more than $1.50 per Share) at which you are willing to sell your Shares to us. Shares validly deposited pursuant to an Auction Tender and not withdrawn will only be taken up if the price specified in the Auction Tender is equal to or less than the Purchase Price determined by us.

Purchase Price Tender: If you wish to deposit Shares but do not wish to specify a minimum price at which we may purchase such Shares, you should make a Purchase Price Tender.

If you validly deposit Shares pursuant to an Auction Tender at $1.30 per Share (the minimum purchase price under the Offer) or if you validly deposit Shares pursuant to a Purchase Price Tender, you can reasonably expect to have your Shares purchased at the Purchase Price if any Shares are purchased under the Offer (subject to the pro-ration provisions and the preferential acceptance of Odd Lots). See Section 2 of the Offer to Purchase, titled "Purchase Price".

HOW LONG DO I HAVE TO DEPOSIT MY SHARES?

You may deposit your Shares until the Offer expires. The Offer expires at 5:00 p.m. (Toronto time) on August 12, 2013, or at such later time as we may determine. If an investment dealer, stockbroker, bank, trust company or other nominee holds your Shares, it is likely the nominee has established an earlier deadline for you to act to instruct the nominee to accept the Offer on your behalf. You should immediately contact your investment dealer, stockbroker, bank, trust company or other nominee to find out the nominee's deadline. See Section 4 of the Offer to Purchase, titled "Procedure for Depositing Shares".

CAN THE OFFER BE EXTENDED, VARIED OR TERMINATED?

Yes. We may extend or vary the Offer in our sole discretion. See Section 8 of the Offer to Purchase, titled "Extension and Variation of the Offer". We can also terminate the Offer under certain circumstances. See Section 6 of the Offer to Purchase, titled "Conditions of the Offer".

HOW WILL I BE NOTIFIED IF WESTERN EXTENDS OR AMENDS THE OFFER?

We will issue a public announcement of any extension, delay, termination or amendment of the Offer promptly to the extent and in the manner required by applicable law. See Section 8 of the Offer to Purchase, titled "Extension and Variation of the Offer".

WHAT WILL HAPPEN IF I DO NOT DEPOSIT MY SHARES?

Upon completion of the Offer, if you do not deposit your Shares to the Offer you will continue to hold the number of Shares that you owned before the Offer and your proportionate Share ownership interest in Western will increase to the extent we purchase Shares pursuant to the Offer. See Section 3 of the Circular, titled "Purpose and Effect of the Offer".

ARE THERE ANY CONDITIONS TO THE OFFER?

Yes. The Offer is subject to certain conditions that are customary for transactions of this nature and are set forth in Section 6 of the Offer to Purchase, titled “Conditions of the Offer”. The Offer is not conditional on any minimum number of Shares being deposited to the Offer.

ONCE I HAVE DEPOSITED SHARES TO THE OFFER, CAN I WITHDRAW MY SHARES?

You may withdraw any Shares you have deposited at any time before the Company takes up the Shares and in the other circumstances described in Section 5 of this Offer to Purchase, titled “Withdrawal of Rights”. Generally, if the Company has taken up but not paid for your Shares within three business days, you may withdraw your Shares. Furthermore, if the Company amends the Offer, you will have 10 days to withdraw your Shares from the date notice is given of the amendment in accordance with Section 8 of this Offer to Purchase, titled “Extension and Variation of the Offer”. However, if the amendment consists solely of an increase in the consideration offered for the Shares and the Offer is not extended for more than 10 days, or the amendment consists solely of a waiver of one or more conditions of the Offer, the amendment will not entitle you to withdraw your Shares.

HOW DO I WITHDRAW SHARES I PREVIOUSLY DEPOSITED?

For a withdrawal to be effective, a written notice of withdrawal must be received in a timely manner by the Depositary at the place of deposit of the relevant Shares. Any such notice of withdrawal must be signed by or on behalf of the person who signed the Letter of Transmittal or Notice of Guaranteed Delivery that accompanied the Shares being withdrawn and must specify the name of the person who deposited the Shares to be withdrawn, the name of the registered holder, if different from that of the person who deposited such Shares, and the number of Shares to be withdrawn. Some additional requirements apply if the certificates representing the Shares to be withdrawn have been delivered to the Depositary. **The withdrawal will take effect only upon actual receipt by the Depositary of the properly completed and executed written notice.** See Section 5 of the Offer to Purchase, titled “Withdrawal Rights”.

WHAT DO I DO IF I OWN AN “ODD LOT” OF SHARES?

If you beneficially own in the aggregate fewer than 100 Shares as of the close of business on August 12, 2013 (or the date of expiry of the Offer if the expiry time of the Offer is extended) and you validly deposit all such Shares pursuant to an Auction Tender at a price equal to or less than the Purchase Price or pursuant to a Purchase Price Tender, we will purchase all of your Shares without pro-ration (but otherwise subject to the terms and conditions of the Offer). If you own an “odd lot” of Shares, you must check (or tick) the “Odd Lots” box in either the Letter of Transmittal or the Notice of Guaranteed Delivery. See Section 3 of the Offer to Purchase, “Number of Shares and Pro-ration”.

WHEN WILL WESTERN PAY FOR THE SHARES I DEPOSIT?

We will publicly announce the Purchase Price promptly after we have determined it and will take up and pay for Shares to be purchased pursuant to the Offer promptly after 5:00 p.m. (Toronto time) on August 12, 2013 (or such later date and time if the expiry time of the Offer is extended), but in any event not later than 10 days after such time. We will pay for such Shares within three business days after taking up the Shares. See Section 7 of the Offer to Purchase, titled “Acceptance for Payment and Payment for Deposited Shares”.

WHAT IS THE RECENT MARKET PRICE OF THE SHARES?

On June 28, 2013, the last Trading Day immediately prior to the announcement of the Offer, the closing price per Share on the TSX was $1.26. The maximum Purchase Price under the Offer represents a premium of approximately 15% over the daily volume weighted average trading price of the Common Shares on the TSX of $1.30 for the last 30 Trading Days preceding the date of Western’s announcement. You should obtain current market quotations for the Common Shares before deciding whether and at which price or prices to deposit your Shares. See Section 6 of the Circular, titled “Price Range of Common Shares; Dividends; Previous Purchases and Sales of Shares”.

WILL I HAVE TO PAY BROKERAGE COMMISSIONS IF I DEPOSIT MY SHARES?

If you are a Registered Shareholder and you deposit your Shares directly to the Depositary, you will not incur any brokerage commissions. If you hold Shares through an investment dealer, broker, bank, trust company or other nominee, we urge you to consult your nominee to determine whether you will incur any transaction costs. See Section 4 of the Offer to Purchase, titled "Procedure for Depositing Shares".

WHAT ARE THE INCOME TAX CONSEQUENCES IF I DEPOSIT MY SHARES?

You are urged to carefully consider the income tax consequences of accepting the Offer. See Section 9 of the Circular, titled "Certain Canadian Federal Income Tax Consequences". You are also urged to consult your own tax advisors concerning the application and effect of the income and other taxes of any country, province, territory, state or local tax authority, having regard to your particular circumstances.

HAS WESTERN OR ITS BOARD OF DIRECTORS ADOPTED A POSITION ON THE OFFER?

Our Board of Directors has unanimously approved the Offer. However, neither we nor any member of our Board of Directors makes any recommendation to you as to whether you should deposit or refrain from depositing Shares under the Offer. You must decide for yourself whether to deposit Shares and, if so, how many Shares to deposit and at what price or prices, if any. See Section 3 of the Circular, titled "Purpose and Effect of the Offer".

WILL WESTERN'S DIRECTORS, OFFICERS OR SIGNIFICANT SHAREHOLDERS DEPOSIT SHARES TO THE OFFER?

Brookfield Special Situations Management Limited ("**Brookfield SS**"), an indirect wholly-owned subsidiary of Brookfield Asset Management Inc. ("**Brookfield**"), has advised us that it intends to tender all of its Shares to the Offer on a Purchase Price Tender basis. Brookfield SS owns (i) 120,639,345 Common Shares, representing approximately 48% of the issued and outstanding Common Shares on a non-diluted basis, and (ii) 216,833,059 Non-Voting Shares, representing 100% of the issued and outstanding Non-Voting Shares.

As a result of the Offer, Brookfield SS's total voting ownership of the Company may decrease depending on the amount of Common Shares to be purchased from other Shareholders under the Offer. In the event that there is such a reduction in Brookfield SS's total voting ownership, Brookfield SS may approach the Company following completion of the Offer to explore alternatives for returning Brookfield SS's voting ownership threshold to approximately its current 48%, including a potential conversion of certain of its Non-Voting Shares.

To our knowledge, after reasonable inquiry, none of our directors or officers nor their respective associates or affiliates, nor, other than Brookfield SS as described above, any person who beneficially owns or exercises control or direction over more than 10% of any class of our equity securities, nor any associate or affiliate or person acting jointly or in concert with us, intends to tender Shares to the Offer. See Section 7 of the Circular, titled "Interests of Directors and Officers and Ownership of Securities of Western".

HOW WILL WESTERN PAY FOR THE SHARES?

It is intended that $100 million of our available credit lines would be used to fund the purchase of Shares pursuant to the Offer, including related fees and expenses. See Section 11 of the Circular, titled "Source of Funds".

WILL WESTERN HAVE SUFFICIENT FINANCIAL RESOURCES REMAINING UPON COMPLETION OF THE OFFER?

After giving effect to the Offer, we believe that we will continue to have sufficient financial resources and working capital to conduct our ongoing business and operations. See Section 3 of the Circular, titled "Purpose and Effect of the Offer".

FOLLOWING THE OFFER, WILL WESTERN CONTINUE AS A PUBLIC ENTITY?

Western will continue as a public entity following the Offer. The purchase of Shares under the Offer will not cause our remaining Shares to be delisted from the TSX or cause the Company to no longer be subject to the periodic reporting requirements of the applicable securities laws of the provinces of Canada. See Section 3 of the Circular, titled "Purpose and Effect of the Offer" and Section 6 of the Offer to Purchase, titled "Conditions of the Offer".

WHAT IMPACT WILL THE OFFER HAVE ON THE LIQUIDITY OF THE MARKET FOR THE COMMON SHARES?

The Board of Directors has determined that it is reasonable to conclude that, following completion of the Offer, there will be a market for non-tendering Shareholders that is not materially less liquid than the market that existed at the time we made the Offer. See Section 3 of the Circular, titled "Purpose and Effect of the Offer - Liquidity of Market".

WHOM CAN I TALK TO IF I HAVE QUESTIONS?

You may contact the Depositary for further information and assistance. The Depositary is Computershare Investor Services Inc., whose contact information is set forth on the back cover page of this Offer and Circular.

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We have not authorized any person to make any recommendation on our behalf as to whether Shareholders should deposit or refrain from depositing Shares to the Offer or as to the price or prices at which Shareholders may choose to deposit Shares to the Offer. Shareholders should rely only on the information contained in the Offer and Circular or to which we have referred Shareholders. We have not authorized anyone to provide Shareholders with information in respect of the Offer or to make any representation in connection with the Offer other than those contained in the Offer to Purchase, the Circular and the related Letter of Transmittal and Notice of Guaranteed Delivery. If anyone makes any recommendation or provides any information or representation in respect of the Offer, Shareholders must not rely upon that recommendation, information or representation as having been authorized by us, the Board of Directors or the Depositary.

GLOSSARY

This Glossary forms part of the Offer and Circular. In the Offer and Circular, including the Summary and the accompanying Letter of Transmittal and Notice of Guaranteed Delivery, unless the subject matter or context is inconsistent therewith, the following terms have the meanings set forth below and grammatical variations thereof have the corresponding meanings.

"**affiliate**" has the meaning ascribed thereto in the BCSA;

"**Agent's Message**" has the meaning ascribed thereto under Section 4 of the Offer to Purchase titled "Procedure for Depositing Shares - Proper Deposit of Shares";

"**associate**" has the meaning ascribed thereto in the BCSA;

"**ATOP**" has the meaning ascribed thereto under Section 4 of the Offer to Purchase titled "Procedure for Depositing Shares - Book-Entry Transfer Procedures - DTC";

"**Auction Tender**" means a deposit of Shares made by a Shareholder pursuant to the Offer where that Shareholder specifies a minimum tender price (of not less than $1.30 and not more than $1.50 per Share) at which that Shareholder is willing to have all such Deposited Shares purchased by the Company;

"**BCSA**" means the Securities Act (British Columbia) and all regulations and rules thereunder, as amended or replaced from time to time;

"**Board**" or "**Board of Directors**" means the board of directors of Western;

"**Book-Entry Confirmation**" has the meaning ascribed thereto under Section 4 of the Offer to Purchase titled "Procedure for Depositing Shares - Proper Deposit of Shares";

"**business day**" means any day of the year, other than a Saturday, Sunday or day observed as a statutory holiday in Vancouver, British Columbia or Toronto, Ontario;

"**CBCA**" means the *Canada Business Corporations Act*;

"**CDS**" means CDS Clearing and Depository Services Inc. or its nominee, which as at the date hereof is CDS & Co;

"**CDSX**" means the CDS on-line tendering system pursuant to which book-entry transfers may be effected;

"**Circular**" means the issuer bid circular accompanying and forming part of the Offer to Purchase;

"**Common Shares**" means the voting common shares of Western;

"**Company**" and "**Western**" mean Western Forest Products Inc.;

"**CRA**" means the Canada Revenue Agency;

"**Depositary**" means Computershare Investor Services Inc., the depositary for the Offer, or such other person as may be appointed to act as depositary for the purpose of the Offer by Western;

"**Deposited Shares**" means Shares validly deposited pursuant to the Offer and not withdrawn;

"**DTC**" means The Depository Trust Company;

“**Eligible Institution**” means a Canadian Schedule I chartered bank, a major trust company in Canada, a member of the Securities Transfer Agents Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada or the United States, members of the Investment Industry Regulatory Organization of Canada, members of the Financial Industry Regulatory Authority or banks and trust companies in the United States;

“**Exchange Act**” means the United States *Securities Exchange Act of 1934*, as amended;

“**Expiry Date**” means August 12, 2013 unless Western, in its sole discretion, extends the period during which the Offer is open, in which event the term “Expiry Date” shall refer to the date on which the Offer, as so extended by Western, will expire;

“**Expiry Time**” means 5:00 p.m. (Toronto time) on the Expiry Date, or such later time or times as may be fixed by Western from time to time as provided under Section 8 of the Offer to Purchase, titled “Extension and Variation of the Offer” in which event the term “**Expiry Time**” shall refer to the time at which the Offer, as so modified by Western, will expire;

“**formal valuation**” has the meaning ascribed thereto in MI 61-101;

“**Letter of Transmittal**” means the letter of transmittal (printed on yellow paper) in the form accompanying the Offer and Circular or a manually executed photocopy thereof;

“**MI 61-101**” means Multilateral Instrument 61-101 — Protection of Minority Security Holders in Special Transactions, as amended, supplemented or replaced from time to time;

“**Non-Resident Shareholder**” has the meaning ascribed thereto under Section 9 of the Circular, titled “Certain Canadian Federal Income Tax Considerations”;

“**Non-Voting Shares**” means the non-voting shares of Western;

“**Notice of Guaranteed Delivery**” means the notice of guaranteed delivery (printed on green paper) in the form accompanying the Offer to Purchase or a manually executed photocopy thereof;

“**Odd Lots**” means a beneficial shareholding of fewer than 100 Shares in the aggregate;

“**Offer**” means the offer by Western to purchase from Shareholders, for cash up to $100 million in aggregate value of its Shares, at a Purchase Price per Share which will be not less than $1.30 and not more than $1.50, on and subject to the terms and conditions set forth in the Offer and Circular and the accompanying Letter of Transmittal and Notice of Guaranteed Delivery;

“**Offer and Circular**” means the Offer to Purchase and the accompanying Circular, including the Summary, the Glossary and all schedules to the Offer and Circular;

“**Offer to Purchase**” means the formal offer to purchase which is accompanied by the Circular, and which, together with the Letter of Transmittal and Notice of Guaranteed Delivery, sets forth the terms and conditions of the Offer;

“**Purchase Price**” means the price per Share (being not less than $1.30 and not more than $1.50) that Western will pay for Shares validly deposited pursuant to the Offer and not withdrawn, taking into account the number of Shares deposited pursuant to Auction Tenders and Purchase Price Tenders and the prices specified by Shareholders making Auction Tenders;

“**Purchase Price Tender**” means a deposit (or deemed deposit) of Shares made by a Shareholder where that Shareholder does not specify a price for the purchase of Shares by Western but rather agrees to have the Shareholder’s Shares purchased for the Purchase Price as determined under the Offer;

"**Registered Shareholder**" means a Shareholder in whose name Shares are registered or recorded in Western's shareholder register(s) maintained by the Depositary;

"**Resident Shareholder**" has the meaning ascribed thereto under Section 9 of the Circular, titled "Certain Canadian Federal Income Tax Considerations";

"**SEC**" means the United States Securities and Exchange Commission;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval maintained by the Canadian Securities Administrators;

"**Shares**" means the Common Shares and Non-Voting Shares of Western;

"**Shareholders**" means, collectively, the holders of Shares, whether registered or beneficial and "**Shareholder**" means any one of them;

"**take up**" in reference to Shares means to accept such Shares for payment by giving proper written notice of such acceptance to the Depositary and "**taking up**" and "**taken up**" have corresponding meanings;

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended;

"**Trading Day**" means any day on which trading occurs on the TSX; and

"**TSX**" means the Toronto Stock Exchange.

OFFER TO PURCHASE

To the Shareholders of Western Forest Products Inc.:

1. THE OFFER

Western hereby offers to purchase from Shareholders for cash up to a maximum of $100 million in value of its Shares pursuant to (i) Auction Tenders at prices of not less than $1.30 and not more than $1.50 per Share, as specified by such Shareholders, or (ii) Purchase Price Tenders, in either case, upon the terms and subject to the conditions set forth in this Offer and Circular and in the accompanying Letter of Transmittal and Notice of Guaranteed Delivery. Shareholders who validly deposit Shares without specifying whether they are making an Auction Tender or a Purchase Price Tender, or who specify that they are making an Auction Tender but fail to specify a price for such Auction Tender, will be deemed to have made a Purchase Price Tender. A Shareholder who wishes to deposit Shares without specifying a price at which such Shares may be purchased by Western should make a Purchase Price Tender.

THE OFFER WILL EXPIRE AT 5:00 P.M. (TORONTO TIME) ON AUGUST 12, 2013 OR AT SUCH LATER TIME AND DATE TO WHICH THE OFFER MAY BE EXTENDED.

THE OFFER IS NOT CONDITIONAL UPON ANY MINIMUM NUMBER OF SHARES BEING DEPOSITED. THE OFFER IS, HOWEVER, SUBJECT TO CERTAIN OTHER CONDITIONS CUSTOMARY FOR TRANSACTIONS OF THIS NATURE, WESTERN RESERVES THE RIGHT TO WITHDRAW THE OFFER AND NOT TAKE UP AND PAY FOR ANY SHARES DEPOSITED UNDER THE OFFER IF THE CONDITIONS OF THE OFFER ARE NOT SATISFIED. SEE SECTION 6 OF THIS OFFER TO PURCHASE, TITLED "CONDITIONS OF THE OFFER".

Subject to the satisfaction or waiver by Western of the conditions of the Offer, all Shareholders who have validly deposited and have not withdrawn their Shares pursuant to an Auction Tender at prices at or below the Purchase Price or pursuant to Purchase Price Tenders will receive the Purchase Price, payable in cash, for all Shares taken up and purchased by Western, upon the terms and subject to the conditions of the Offer, including the provisions relating to pro-ration and the preferential acceptance of Odd Lots described herein. All payments for purchased Shares will be subject to deduction of any applicable withholding taxes. See Section 9 of the Circular titled "Certain Canadian Federal Income Tax Consequences".

Western will return all Shares not purchased under the Offer, including Shares deposited pursuant to Auction Tenders at prices greater than the Purchase Price and Shares not purchased because of pro-ration, promptly after the Expiry Date. Registered Shareholders who deposit their Shares directly to the Depositary will not be obligated to pay any brokerage fees or commissions. Non-Registered Shareholders who hold their Shares through an investment dealer, stock broker, commercial bank, trust company or other nominee should consult with such persons regarding whether any fees or commissions will apply in connection with a deposit of Shares pursuant to the Offer. See Section 4 of the Offer to Purchase, titled "Procedure for Depositing Shares".

Western's Board of Directors has unanimously authorized and approved the Offer. However, none of the Company, its Board of Directors or the Depositary makes any recommendation to Shareholders as to whether to deposit or refrain from depositing any or all of such Shareholder's Shares pursuant to the Offer. Shareholders are strongly urged to review and evaluate carefully all information in the Offer and Circular, to consult their own financial, tax and legal advisors, and to make their own decisions as to whether to deposit Shares to the Offer and, if so, how many Shares to deposit and at what price or prices. Western is making the Offer as an equitable and efficient means to distribute an aggregate of $100 million in cash to Shareholders, while at the same time proportionately increasing the equity interest in the Company of Shareholders who do not deposit their Shares to the Offer. **Shareholders are also urged to consult their own investment, tax and legal advisors.**

The accompanying Circular, which is incorporated into and forms part of this Offer to Purchase, and the related Letter of Transmittal and Notice of Guaranteed Delivery all contain important information which should be read carefully before making a decision with respect to the Offer. Shareholders are also urged to carefully consider the income tax consequences of depositing Shares under the Offer. See Section 9 of the Circular, titled "Certain Canadian Federal Income Tax Consequences" for further details.

2. **PURCHASE PRICE**

As promptly as practicable following the Expiry Time, Western will, upon the terms and subject to the conditions of the Offer, determine a single Purchase Price (which will be not less than \$1.30 and not more than \$1.50 per Share) that it will pay for the Deposited Shares taken up pursuant to the Offer, taking into account the number of Shares deposited pursuant to Auction Tenders and Purchase Price Tenders and the prices specified by Shareholders depositing Shares pursuant to Auction Tenders. Shares deposited pursuant to Purchase Price Tenders will be deemed to have been deposited at the minimum price of \$1.30 per Share for purposes of determining the Purchase Price.

The Purchase Price will be the lowest price between not less than \$1.30 per Share and not more than \$1.50 per Share at which Shares have been deposited or have been deemed to be deposited under the Offer that will enable Western to purchase the maximum number of Deposited Shares having an aggregate purchase price not exceeding \$100 million or such lower aggregate purchase price that the Board, in its discretion, determines to be in the best interests of the Company. As promptly as practicable after determining the Purchase Price, Western will publicly announce the Purchase Price and, upon the terms and subject to the conditions of the Offer (including the pro-ration provisions and the preferential acceptances of Odd Lots described herein), all Shareholders who have validly deposited and not withdrawn their Shares pursuant to Auction Tenders at prices per Share below the Purchase Price or pursuant to Purchase Price Tenders will receive the Purchase Price, payable in cash (but subject to applicable withholding taxes, if any), for all Shares purchased. The Purchase Price will be stated and paid in Canadian dollars. See Section 3 of the Offer to Purchase, titled "Number of Shares and Pro-ration".

Shareholders validly depositing Shares pursuant to Auction Tenders at \$1.30 per Share (the minimum purchase price per Share under the Offer) and Shareholders validly depositing Shares pursuant to Purchase Price Tenders can reasonably expect to have such Shares purchased at the Purchase Price if any Shares are purchased under the Offer (subject to the pro-ration provisions and the preferential acceptance of Odd Lots described herein).

3. **NUMBER OF SHARES AND PRO-RATION**

Western will purchase, upon the terms and subject to the conditions of the Offer, at the Purchase Price, Deposited Shares up to an aggregate maximum purchase price of \$100 million. Since the Purchase Price will only be determined after the Expiry Date, the number of Shares that will be purchased will not be known until after the Expiry Date. If the Purchase Price is determined to be \$1.30 per Share, the minimum purchase price under the Offer, the maximum number of Shares that will be purchased under the Offer is 76,923,076 Shares. If the Purchase Price is determined to be \$1.50 per Share, the maximum purchase price under the Offer, the minimum number of Shares that will be purchased under the Offer is 66,666,666 Shares.

As at June 28, 2013, there were 468,051,483 Shares (consisting of 251,218,424 Common Shares and 216,833,059 Non-Voting Shares) issued and outstanding. The Offer may result in the purchase by Western of up to 76,923,076 Shares (based on a Purchase Price equal to the minimum purchase price per Share of \$1.30), representing approximately 16% of the total number of issued and outstanding Shares on such date (assuming no exercise of options nor conversion into, exchange or exercise of any other securities of Western for Shares). The Offer will result in the purchase by Western of a minimum of 66,666,666 Shares (based on a Purchase Price equal to the maximum purchase price per Share of \$1.50), representing approximately 14% of the total number of issued and outstanding Shares on such date (assuming no exercise of options nor conversion into, exchange or exercise of any other securities of Western for Shares).

If the aggregate purchase price (calculated at the Purchase Price per Share) for all Deposited Shares validly deposited prior to the Expiry Time (and not withdrawn in accordance with Section 5 of the Offer to Purchase, titled "Withdrawal Rights") is less than or equal to \$100 million, Western will, upon the terms and subject to the conditions of the Offer, purchase at the Purchase Price all Deposited Shares.

If the number of Shares validly deposited prior to the Expiry Time (and not withdrawn in accordance with Section 5 of the Offer to Purchase, titled "Withdrawal Rights") tendered pursuant to Auction Tenders at or below the Purchase Price or pursuant to Purchase Price Tenders would result in an aggregate purchase price in excess of \$100 million, such Deposited Shares will be purchased on a *pro rata* basis according to the number of Shares deposited or deemed to be deposited at or below the Purchase Price by the depositing Shareholders (with adjustments to avoid the purchase of fractional Shares), except that Odd Lot deposits will not be subject to pro-ration. For the purposes of the foregoing, an Odd Lot deposit is a deposit by a Shareholder beneficially owning in the aggregate fewer than 100 Shares as of the close of business on the Expiry Date, who validly deposits all such Shares prior to the Expiry Time pursuant to an Auction Tender at or below the Purchase Price or pursuant to a Purchase Price Tender and who checks (or ticks) Box C captioned "Odd Lots" in either the Letter of Transmittal or the Notice of Guaranteed Delivery, as the case may be. As set forth above, Odd Lots will be accepted for purchase before any pro-ration. Odd Lot holders therefore have the opportunity to sell their Shares without incurring brokerage commissions or the Odd Lot Discounts that they might otherwise incur if they were to sell in a transaction or through the facilities of the TSX.

The Odd Lot acceptance preference is not available to holders of 100 or more Shares or even if Shareholders have separate share certificates for fewer than 100 Shares or hold fewer than 100 Shares in different accounts.

4. PROCEDURE FOR DEPOSITING SHARES

Proper Deposit of Shares

To validly deposit Shares pursuant to the Offer, (i) the certificates for all Deposited Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) relating to such Shares with signatures guaranteed by an Eligible Institution if so required in accordance with the Letter of Transmittal, and any other documents required by the Letter of Transmittal, must be received by the Depositary at its Toronto, Ontario office address set forth in the Letter of Transmittal, by the Expiry Time, (ii) the guaranteed delivery procedure described below must be followed or (iii) such Shares must be transferred pursuant to the procedures for book entry transfer described below (and a confirmation of such tender must be received by the Depositary, including a Book-Entry Confirmation or an Agent's Message (as defined below) if the depositing Shareholder has not delivered a Letter of Transmittal). The term "**Book-Entry Confirmation**" means a confirmation of a book-entry transfer of a Shareholder's Shares into the Depositary's account at CDS or DTC, as applicable. The term "**Agent's Message**" means a message, transmitted by DTC to and received by the Depositary and forming part of a Book-Entry Confirmation, which states that DTC has received an express acknowledgement from the depositing participant, which acknowledgement states that such participant has received and agrees to be bound by the Letter of Transmittal and that the Company may enforce such Letter of Transmittal against the participant.

A Non-Registered Shareholder who wishes to deposit Shares under the Offer should immediately contact such person's investment dealer, stock broker, commercial bank, trust company or other nominee in order to take the necessary steps to be able to deposit such Shares under the Offer.

Participants of CDS in Canada or DTC in the United States should contact such depositary, or any other applicable depositary, to obtain instructions as to the method of depositing Shares under the terms of the Offer. CDS in Canada and DTC in the United States will be issuing instructions to their respective participants as to the method of depositing Shares under the terms of the Offer.

The Offer is made only for Shares and is not made for any options or any other securities of Western that are convertible into or exchangeable or exercisable for Shares. Any holder of such options or other securities convertible into or exchangeable or exercisable for Shares who wishes to accept the Offer must, to the extent permitted by the terms of the security and applicable laws, exercise the option or other securities convertible into or exchangeable or exercisable for Shares in order to obtain certificates representing Shares and deposit those Shares in accordance with the terms of the Offer. Any such conversion, exchange or exercise must be completed sufficiently in advance of the Expiry Time to ensure that the holder of such options or other securities will have the Shares issued and, if applicable, will have received the certificate(s) representing the Shares, on such conversion, exchange or exercise available for deposit at or prior to the Expiry Time, or in sufficient time to comply with the procedures referred to below under "Procedure for Guaranteed Delivery". Any such conversion, exercise or exchange will be irrevocable, including where the Shares tendered are subject to pro-ration or otherwise are not taken up.

In accordance with Instruction 5 of the Letter of Transmittal, or the Book-Entry Confirmation or Agent's message in lieu thereof, each Shareholder desiring to deposit Shares pursuant to the Offer should indicate, in Box A captioned "Type of Tender" on such Letter of Transmittal or, if applicable, the Notice of Guaranteed Delivery: (a) whether Shares are deposited pursuant to an Auction Tender or a Purchase Price Tender, (b) if an Auction Tender is made, further indicate in Box B captioned "Auction Tender Price (in Canadian dollars) per Share at which Shares are Being Deposited" in such Letter of Transmittal, or the Book-Entry Confirmation or Agent's Message in lieu thereof, the price per Share at which such Shares are being deposited and (c) whether the Shareholder is making an Odd Lot deposit by completing Box C captioned "Odd Lots" in such Letter of Transmittal, or the Book-Entry Confirmation or Agent's Message in lieu thereof, in order to qualify for the preferential treatment available to Odd Lot holders.

Shares deposited pursuant to an Auction Tender in compliance with the procedures set forth herein will be taken up only if the price per Share specified in the Auction Tender is equal to or less than the Purchase Price.

A Shareholder desiring to deposit Shares in separate lots at a different price per Share and/or a different type of tender for each lot, must complete a separate Letter of Transmittal or a Book-Entry Confirmation or Agent's Message in lieu thereof (and, if applicable, a Notice of Guaranteed Delivery) for each lot and price per Share at which the Shareholder is depositing Shares. The same Shares cannot be deposited pursuant to both an Auction Tender and a Purchase Price Tender, or pursuant to an Auction Tender at more than one price per Share. Shares deposited pursuant to both an Auction Tender and a Purchase Price Tender, or pursuant to an Auction Tender where no price is specified, will be deemed to have been deposited by way of a Purchase Price Tender. Shares deposited pursuant to an Auction Tender at more than one price per Share will be deemed to have been deposited at the lowest applicable price indicated. Shares deposited pursuant to an Auction Tender where a price is specified will only be taken up if the price specified in the Auction Tender is equal to or less than the Purchase Price.

Signature Guarantees

No signature guarantee is required on the Letter of Transmittal if either (i) the Letter of Transmittal is signed by the Registered Shareholder(s) exactly as the name of the Registered Shareholder(s) appears on the share certificate deposited therewith and payment is to be made directly to such Registered Shareholder, or (ii) Shares are deposited for the account of an Eligible Institution. See Instruction 4 of the Letter of Transmittal. In all other cases, all signatures on the Letter of Transmittal must be guaranteed by an Eligible Institution.

If a certificate representing Shares is registered in the name of a person other than the person signing the Letter of Transmittal, or if payment is to be made, or certificates representing Shares not purchased or deposited are to be issued to a person other than the Registered Shareholder, the certificate must be endorsed or accompanied by an appropriate share transfer power of attorney, in either case, duly and properly completed and signed exactly as the name of the Registered Shareholder appears on the certificate with the signature on the certificate guaranteed by an Eligible Institution.

Book-Entry Transfer Procedures - CDS

Any financial institution that is a participant in CDS may make book-entry delivery of the Shares through CDSX in accordance with CDS procedures for such transfer. Delivery of Shares to the Depositary by means of a book-entry through CDSX will constitute a valid tender under the Offer.

Shareholders may accept the Offer by following the procedures for a book-entry transfer established by CDS, provided that a Book-Entry Confirmation through CDSX is received by the Depositary at its Toronto, Ontario office address set forth on the back cover page of this Offer and Circular prior to the Expiry Time. Shareholders, through their respective CDS participants, who utilize CDSX to accept the Offer through a book-entry of their holdings with CDS shall be deemed to have completed and submitted a Letter of Transmittal and to be bound by the terms thereof and, therefore, such instructions received by the Depositary are considered a valid tender in accordance with the terms of the Offer. **Delivery of documents to CDS does not constitute delivery to the Depositary.**

Book-Entry Transfer Procedures - DTC

Any financial institution that is a participant in DTC may make book-entry delivery of the Shares by causing DTC to transfer such Shares in accordance with DTC procedures for such transfer.

Although delivery of the Shares may be effected under the Offer through book-entry transfer at DTC, the Letter of Transmittal (or a manually signed photocopy thereof) with any required signature guarantees, or (in the case of a book-entry transfer) an Agent's Message in lieu of the Letter of Transmittal and any other required documents must, in any case, be transmitted to and received by the Depositary at its Toronto, Ontario office address set forth on the back cover page of this Offer and Circular prior to the Expiry Time in connection with the tender of such Shares. **Delivery of documents to DTC does not constitute delivery to the Depositary.**

Shareholders who are tendering by book-entry transfer at DTC may execute their tender through DTC's Automated Tender Offer Program ("**ATOP**") by transmitting their acceptance to DTC in accordance with DTC's ATOP procedures. DTC will then verify the acceptance, execute a book-entry delivery to DTC and send an Agent's Message to the Depositary. Delivery of the Agent's Message by DTC will satisfy the terms of the Offer in lieu of execution and 14 delivery of a Letter of Transmittal by the participant identified in the Agent's Message. Accordingly, the Letter of Transmittal need not be completed by a Shareholder tendering through ATOP.

Procedure for Guaranteed Delivery

If a Shareholder wishes to deposit Shares pursuant to the Offer and cannot deliver certificates for such Shares, or the book-entry transfer procedures described above cannot be completed prior to the Expiry Time, or time will not permit all required documents to reach the Depositary prior to the Expiry Time, such Shares may nevertheless be deposited if all of the following conditions are met:

(a) such deposit is made by or through an Eligible Institution;

(b) a properly completed and duly executed Notice of Guaranteed Delivery, or a manually executed photocopy thereof, substantially in the form provided by Western (indicating the type of deposit and, in the case of an Auction Tender, the price per Share at which the Shares are being deposited) is received by the Depositary at its mailing address in Toronto, Ontario as set out in the Notice of Guaranteed Delivery prior to the Expiry Time; and

(c) the certificates for all Deposited Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal, or a manually executed photocopy thereof, relating to such Shares, with signatures guaranteed by an Eligible Institution if so required in accordance with the Letter of Transmittal, and any other documents required by the Letter of Transmittal, are received by the Depositary at its mailing address as set out in the Notice of Guaranteed Delivery before 5:00 p.m. (Toronto time), on or before the third Trading Day on the TSX after the Expiry Date.

The Notice of Guaranteed Delivery may be delivered by hand or transmitted by facsimile transmission or by mail to the mailing address of the Depositary in Toronto, Ontario as set out therein and must include a guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery.

The tender information specified in a Notice of Guaranteed Delivery by a person completing such Notice of Guaranteed Delivery will, in all circumstances, take precedence over any inconsistent tender that is specified in the related Letter of Transmittal that is subsequently deposited.

Notwithstanding any other provision hereof, payment for Shares deposited and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of certificates for such Shares, a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) relating to such Shares, with signatures guaranteed if required, and any other documents required by the Letter of Transmittal.

Method of Delivery

The method of delivery of Shares and all other required documents is at the option and risk of the depositing Shareholder. If certificates for Shares are to be sent by mail, registered mail with return receipt requested, properly insured, is recommended and the mailing must be made sufficiently in advance of the Expiry Date to permit delivery to the Depositary at or prior to the Expiry Time. Delivery will only be made upon actual receipt of such Shares by the Depositary.

Determination of Validity

All questions as to the number of Shares to be accepted and taken up, the price per Share to be paid therefor, the form of documents and the validity, eligibility (including time of receipt) and acceptance for payment of any Deposited Shares, will be determined by Western, in its sole discretion, which determination shall be final and binding on all parties. Western reserves the absolute right to reject any or all deposits of Shares judged by it not to be in proper form or which, in the opinion of its counsel, may be unlawful for it to accept under the laws of any jurisdiction. Western also reserves the absolute right to waive any of the conditions of the Offer or any defect or irregularity in any deposit of Shares. No deposit of Shares will be deemed to be validly made until all defects and irregularities have been cured or waived. None of Western, the Depositary or any other person will be under any duty to give notification of any defect or irregularity in deposits or incur any liability for failure to give any such notice. Western's interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and the Notice of Guaranteed Delivery) will be final and binding.

Under no circumstances will interest accrue or be paid by Western or the Depositary on the Purchase Price to any person depositing Shares regardless of any delay in making payment, including any delay in making payment to any person using the guaranteed delivery procedures, and the payment for Shares deposited pursuant to the guaranteed delivery procedures will be the same as that for Shares delivered to the Depositary on or prior to the Expiry Date, even if the Shares to be delivered pursuant to the guaranteed delivery procedures are not so delivered to the Depositary, and therefore payment by the Depositary on account of such Shares is not made until after the date the payment for the Deposited Shares accepted for payment pursuant to the Offer is to be made by Western.

Formation of Agreement

The valid deposit of Shares pursuant to any one of the procedures described above will constitute a binding agreement between the depositing Shareholder and Western, effective as of the time at which Western takes up Shares, deposited by the depositing Shareholder, upon the terms and subject to the conditions of the Offer contained herein and in the Letter of Transmittal.

Further Assurances

Each Shareholder accepting the Offer covenants under the terms of the Letter of Transmittal to execute, upon request of Western, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of the Deposited Shares to Western. Each authority therein conferred or agreed to be conferred may be exercised during any subsequent legal incapacity of such Shareholder and shall, to the extent permitted by law, survive the death or incapacity, bankruptcy or insolvency of the Shareholder and all obligations of the Shareholder therein shall be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

5. WITHDRAWAL RIGHTS

Except as otherwise expressly provided in this Section 5 or otherwise required or permitted by applicable laws, all deposits of Shares pursuant to the Offer will be irrevocable. Shares deposited pursuant to the Offer may be withdrawn by or on behalf of the depositing Shareholder: (i) at any time prior to the Expiry Date; (ii) at any time before the expiration of 10 days from the date that a notice of change or variation (other than a variation that (a) consists solely of an increase in the consideration offered for the Shares under the Offer where the time for deposit is not extended for greater than 10 days, or (b) consists solely of the waiver of one or more conditions of the Offer) has been given in accordance with Section 8 of the Offer to Purchase, titled "Extension and Variation of the Offer"; (iii) if the Shares have not been paid for by Western within three business days after having been taken up; and (iv) at any time before we take up the Shares deposited by such Shareholder.

For a withdrawal to be effective, a written notice of withdrawal must be actually physically received in a timely manner by the Depositary at the place of deposit of the relevant Shares. Any such notice of withdrawal must be signed by or on behalf of the person(s) who signed the Letter of Transmittal or Notice of Guaranteed Delivery that accompanied the Shares being withdrawn and must specify the name of the person(s) who deposited the Shares to be withdrawn, the name of the Registered Shareholder(s), if different from that of the person(s) who deposited such Shares, and the number of Shares to be withdrawn. If the certificates have been delivered or otherwise identified to the Depositary then, prior to the release of such certificates, the depositing Shareholder must submit the serial numbers shown on the particular certificates evidencing the Shares to be withdrawn and the signature on the notice of withdrawal must be guaranteed by an Eligible Institution, except in the case of Shares deposited by an Eligible Institution or if the notice of withdrawal is signed by the Registered Shareholder(s) exactly as the name(s) of the Registered Shareholder appears on the certificate representing the Shares deposited with the Letter of Transmittal. **A withdrawal of Shares deposited to the Offer can be accomplished only in accordance with the foregoing procedure. The withdrawal will take effect only upon actual receipt by the Depositary of the properly completed and executed written notice.**

All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by Western, in its sole discretion, which determination shall be final and binding on all parties. None of Western, the Depositary or any other person shall be obligated to give any notice of any defects or irregularities in any notice of withdrawal and none of them shall incur any liability for failure to give any such notice.

A Non-Registered Shareholder who wishes to withdraw Shares from the Offer where the Shares are registered in the name of an investment dealer, stockbroker, bank, trust company or other nominee should immediately contact such nominee in order to take the steps necessary to withdraw such Shares from the Offer. Participants in CDS and DTC should contact these depositaries with respect to the withdrawal of Shares from the Offer.

Any Shares properly withdrawn will thereafter be deemed not to have been deposited for purposes of the Offer. However, withdrawn Shares may be redeposited prior to the Expiry Time by again following any of the procedures described in Section 5 of the Offer to Purchase, titled "Withdrawal Rights".

If Western extends the period of time during which the Offer is open, is delayed in its purchase of Shares or is unable to purchase Shares pursuant to the Offer for any reason, then, without prejudice to Western's rights under the Offer, the Depositary may, subject to applicable law, retain on behalf of Western all Deposited Shares, and such Deposited Shares may not be withdrawn except to the extent depositing Shareholders are entitled to withdrawal rights as described in this Section 5 of the Offer to Purchase, titled "Withdrawal Rights".

6. CONDITIONS OF THE OFFER

Notwithstanding any other provision of the Offer, Western shall not be required to accept for purchase, to purchase or pay for any Shares deposited under the Offer, and may withdraw, terminate, cancel or amend the Offer, or may postpone the take up and payment for Shares deposited under the Offer if, at any time before the payment for any such Shares, any of the following events shall have occurred (or shall have been determined by Western, in its sole judgement, to have occurred) which, in Western's sole judgment in any such case and regardless of the circumstances, makes it inadvisable to proceed with the Offer or with such acceptance for purchase or payment):

(a) there shall have been threatened, instituted or pending any action or proceeding by any government or governmental authority or regulatory or administrative agency in any jurisdiction, or by any other person in any jurisdiction, before any court or governmental authority or regulatory or administrative agency in any jurisdiction: (i) challenging or seeking to cease trade, make illegal, delay or otherwise directly or indirectly restrain or prohibit the making of the Offer, the acceptance for payment of some or all of the Shares by Western or otherwise directly or indirectly relating in any manner to or affecting the Offer, or (ii) that has or may have a material adverse effect on the Common Shares or the business, income, assets, liabilities, condition (financial or otherwise), properties, operations, results of operations or prospects of Western or its subsidiaries taken as a whole, or has or may materially impair the contemplated benefits of the Offer to Western;

(b) there shall be any approval withheld or any action or proceeding threatened, pending or taken or any statute, rule, regulation, stay, decree, judgment or order or injunction proposed, sought, enacted, enforced, promulgated, amended, issued or deemed applicable to the Offer or Western or any of its subsidiaries by any court, government or governmental authority or regulatory or administrative agency or any statute, rule or regulation shall become operative or applicable in any jurisdiction that, might directly or indirectly result in any of the consequences referred to in clauses (i) or (ii) of paragraph (a) above or that would or might prohibit, prevent, restrict or delay consummation of the Offer or would or might materially impair the contemplated benefits of the Offer to Western or otherwise make it inadvisable to proceed with the Offer;

(c) there shall have occurred (i) any general suspension of trading in, or limitation on prices for, securities on any securities exchange or in the over-the-counter market in Canada or the United States, (ii) the declaration of a banking moratorium or any suspension of payments in respect of banks in Canada or the United States (whether or not mandatory), (iii) a natural disaster or the commencement or material worsening of a war, armed hostilities, act of terrorism or other international or national calamity directly or indirectly involving Canada, the United States or any other country or region in which Western or its subsidiaries maintain significant business activities, (iv) any limitation by any government or governmental authority regulatory or administrative authority or agency or any other event that might affect the extension of credit by banks or other lending institutions, (v) any change in general political, market, economic or financial conditions that has or may have a material adverse effect on Western's business, operations or prospects or the trading in, or value of, the Common Shares, (vi) any material decline in any of the S&P/TSX Composite Index, the Dow Jones Industrial Average or the Standard and Poor's Index of 500 Industrial Companies (including, without limitation, an amount greater than 10%) since the close of business on June 28, 2013; (vii) any decrease in the market price of the Common Shares by a significant amount (including, without limitation, an amount greater than 10%) since the close of business on June 28, 2013 or (viii) in the case of any of the foregoing existing at the time of the commencement of the Offer, a material acceleration or worsening thereof;

(d) any change or changes shall have occurred (or any development shall have occurred involving any prospective change or changes) in the business, assets, liabilities, properties, condition (financial or otherwise), operations, results of operations or prospects of Western or its subsidiaries or investee companies that, individually or in the aggregate, have or may have material adverse significance with respect to Western or its subsidiaries taken as a whole;

(e) any take-over bid or tender or exchange offer with respect to some or all of the securities of Western, or any amalgamation, arrangement, merger, business combination or acquisition proposal, disposition of assets, or other similar transaction with or involving Western or any of its affiliates, other than the Offer, or any solicitation of proxies, other than by management, to seek to control or influence the Board of Directors, shall have been proposed, announced or made by any individual or entity;

(f) Western shall have concluded that the Offer or the taking up and payment for any or all of the Shares by the Company is illegal or otherwise not in compliance with applicable laws, or that necessary exemptions under applicable securities legislation in Canada are not available on acceptable terms to the Company in respect of the Offer and, if required under any such legislation, the Company shall not have received the necessary exemptions from or waivers of the appropriate courts or securities regulatory authorities in respect of the Offer; or

(g) any change shall have occurred or been proposed to the Tax Act or the publicly available administrative policies or assessing practices of the CRA that, in the sole judgment of the Company, acting reasonably, is materially adverse to Western or its subsidiaries taken as a whole or to any one or more Shareholders, or with respect to the making of the Offer or taking up and paying for Shares under the Offer.

Any waiver of a condition by Western, or the withdrawal of the Offer by Western, shall be deemed to be effective on the date on which written notice of such waiver or withdrawal is delivered or otherwise communicated to the Depositary at its principal office in Toronto, Ontario. Western, after giving notice to the Depositary of any waiver of a condition or the withdrawal of the Offer, shall forthwith thereafter make a public announcement of such waiver or withdrawal and provide or cause to be provided notice of such waiver or withdrawal to the TSX and the applicable Canadian securities regulatory authorities. If the Offer is withdrawn, Western shall not be obligated to take up, accept for purchase or pay for any of the Deposited Shares, and the Depositary will, as soon as practicable, return all certificates for Deposited Shares and Letters of Transmittal, Notices of Guaranteed Delivery and any related documents to the parties by whom they were deposited.

The foregoing conditions are for the sole benefit of Western and may be asserted by Western, in its sole discretion regardless of the circumstances (including any action or inaction by the Company) giving rise to any such conditions, or may be waived by Western in its sole discretion, in whole or in part at any time without prejudice to any other rights which the Company may have, provided that any condition waived in whole or in part will be waived with respect to all Shares deposited to the Offer. The failure by Western at any time to exercise its rights under any of the foregoing conditions shall not constitute a waiver of any such right, and the waiver of any such right with respect to particular facts and circumstances shall not constitute a waiver with respect to any other facts and circumstances and each such right shall constitute an ongoing right which may be asserted at any time or from time to time. Western confirms that if it fails to exercise or waives a condition of the Offer, the Western may be required, depending on the materiality of such failure or waiver and the number of days remaining in the Offer, to extend the Offer and circulate new disclosure to Shareholders. Any determination by Western concerning the events described in this Section 6 shall be final and binding on all parties.

7. ACCEPTANCE FOR PAYMENT AND PAYMENT FOR DEPOSITED SHARES

If all conditions referred to in Section 6 of this Offer to Purchase, titled “Conditions of the Offer”, have been satisfied or waived by Western at or prior to the Expiry Time, after the Company has determined the Purchase Price in accordance with Section 2 of the Offer to Purchase, titled “Purchase Price”, Western will publicly announce the Purchase Price and will take up Shares validly deposited pursuant to the Offer and not withdrawn promptly after the Expiry Time, upon the terms of the Offer and subject to an in accordance with applicable securities laws. Western will pay for such Deposited Shares within three business days after taking up such Deposited Shares.

Number of Shares

For purposes of the Offer, Western will be deemed to have accepted for payment, subject to pro-ration and the preferential acceptance of Odd Lots, that number of Deposited Shares having an aggregate purchase price of not more than $100 million, that are validly deposited and not withdrawn pursuant to Auction Tenders at or below the Purchase Price (or that do not specify a price) and pursuant to Purchase Price Tenders if, as and when Western gives oral (to be confirmed in writing) or written notice to the Depositary of its acceptance of such Shares for payment pursuant to the Offer.

Payment

The Purchase Price payable by Western, and thus the amount owing to any deposited Shareholder will be stated and paid in Canadian dollars and net of any applicable withholding taxes. All cash payable under the Offer will be denominated in Canadian dollars. Shares taken up and paid for by Western will be promptly cancelled by Western.

Payment for Deposited Shares accepted for purchase and not withdrawn pursuant to the Offer will be made by depositing the aggregate Purchase Price for such Deposited Shares with the Depositary by bank transfer or other means satisfactory to the Depositary, who will act as agent for the depositing Shareholders for the purpose of receiving payment from Western and transmitting such payment to the depositing Shareholders. The Depositary will also coordinate with CDS and DTC, as applicable, with respect to Shareholders who have deposited Shares by way of book-entry transfer which are taken up and accepted for payment by Western, to arrange for payment to be made to such Shareholders in accordance with the applicable settlement procedures of CDS and DTC, as applicable. Receipt of payment by the Depositary will be deemed to constitute receipt of payment by persons depositing Shares. **Under no circumstances will interest accrue or be paid by Western or the Depositary on the Purchase Price to any person depositing Shares regardless of any delay in making payment, including any delay in making payment to any person using the guaranteed delivery procedures.**

In the event of pro-ration of Deposited Shares, Western will determine the pro-ration factor and pay for those Deposited Shares accepted for payment promptly after the Expiry Date in accordance with this Section 7. However, Western does not expect to be able to announce the final results of any such pro-ration for at least three business days after the Expiry Date.

Certificates for all Shares not purchased, including all Shares deposited pursuant to Auction Tenders at prices in excess of the Purchase Price, Shares not purchased due to pro-ration and Shares not accepted for purchase pursuant to the terms and conditions of the Offer for any reason, will be returned promptly after the Expiry Date or termination of the Offer without expense to the depositing Shareholder. In the case of Shares deposited by book-entry transfer pursuant to the procedures set out in Section 4 of this Offer to Purchase, titled "Procedure for Depositing Shares", such Shares will be credited to the depositing Shareholder's account maintained with CDS or DTC, as applicable.

The Purchase Price for Shares deposited and purchased will be paid by wire transfer or cheque issued to the order of, and certificate(s) representing Shares not deposited or not purchased under the Offer will be issued to, the person signing the relevant Letter of Transmittal or to the order of such other person as identified by the person signing such Letter of Transmittal, by properly completing the boxes captioned "Special Payment Instructions" and/or "Special Delivery Instructions" in such Letter of Transmittal. In the absence of an address being provided, cheques or certificates will be forwarded to the address of the person as shown on the share register for the Deposited Shares.

The Depositary will forward, at the Company's expense, cheques representing the cash payment for a Shareholder's Shares taken up under the Offer and certificates representing all Shares not purchased by first-class mail, postage pre-paid, to the person signing the relevant Letter of Transmittal or to such other person or such other address as identified by the person in such Letter of Transmittal (unless, in the case of a cheque, the person signing the Letter of Transmittal instructs the Depositary to hold such cheque for pick-up) by properly completing the box captioned "Special Delivery Instructions" in such Letter of Transmittal. See Section 9 of this Offer to Purchase, "Payment in the Event of Mail Service Interruption", in the event of real or possible mail service interruption. Cheques mailed in accordance with this paragraph will be deemed to have been delivered at the time of mailing.

If you are a Registered Shareholder and you deposit your Shares directly to the Depositary, you will not be obligated to pay any brokerage fees or commissions. If you are a Non-Registered Shareholder who holds your Shares through an investment dealer, stock broker, commercial bank, trust company or other nominee, you should consult with such persons regarding whether fees or commissions will apply in connection with a deposit of Shares pursuant to the Offer.

8. EXTENSION AND VARIATION OF THE OFFER

Subject to applicable law, Western expressly reserves the right, in its sole discretion, and regardless of whether or not any of the conditions specified under Section 6 of the Offer to Purchase, titled "Conditions of the Offer" shall have been satisfied or waived, at any time or from time to time, to extend the period of time during which the Offer is open or to vary the terms and conditions of the Offer by giving written or oral (to be confirmed in writing) notice of extension or variation to the Depositary and by causing the Depositary to provide, where required by law, as soon as practicable thereafter, a copy of the notice in the manner set forth under Section 11 of the Offer to Purchase, titled "Notice", to all Shareholders. Promptly after giving notice of an extension or variation to Shareholders, the Company will provide or cause to be provided notice of such extension or variation to the TSX and the Canadian securities regulatory authorities. Any notice of extension or variation will be deemed to have been given and be effective on the day on which it is delivered or otherwise communicated in writing to the Depositary at its principal office in Toronto, Ontario.

Where the terms of the Offer are varied (other than a variation consisting solely of (i) an increase in the cash consideration offered for the Shares in the Offer where the time for deposit is not extended for more than 10 business days, or (ii) the waiver of a condition of the Offer), the period during which Shares may be deposited pursuant to the Offer shall not expire before 10 days after the notice of variation has been given to holders of Shares unless otherwise permitted by applicable law. During any such extension or in the event of any variation, all Shares previously deposited and not taken up or withdrawn will remain subject to the Offer and may be accepted for purchase by Western in accordance with the terms of the Offer, subject to Section 5 of the Offer to Purchase, titled

“Withdrawal Rights”. An extension of the Expiry Date or a variation of the Offer does not constitute a waiver by Western of its rights under Section 6 of the Offer to Purchase, titled “Conditions of the Offer”.

If, prior to the Expiry Time, a variation in the terms of the Offer increases the consideration offered to Shareholders by Western, such increase shall be applicable to all Deposited Shares that are taken up pursuant to the Offer. The Purchase Price to be paid by the Company for any Shares which are deposited after an extension of the Offer and are subsequently taken up and paid for shall be the same Purchase Price paid to Shareholders whose Shares were deposited prior to such extension of the Offer and are subsequently taken up and paid for.

Notwithstanding the foregoing, except as required by applicable securities laws, the Offer may not be extended by the Company if all of the terms and conditions of the Offer have been satisfied, except those waived by the Company, unless the Company first takes up all Shares validly deposited under the Offer and not withdrawn.

Western also expressly reserves the right, in its sole discretion, (i) to terminate the Offer and not to accept for purchase any Shares upon the occurrence of any of the events specified in Section 6 of the Offer to Purchase, titled “Conditions of the Offer”, or (ii) at any time or from time to time, to amend the Offer in any respect, including, without limitation, increasing or decreasing the maximum value of Shares Western may purchase and/or the range of prices it may pay pursuant to the Offer, subject to compliance with applicable Canadian securities legislation.

Any such extension, delay, termination or amendment will be followed as promptly as practicable by a public announcement thereof. Without limiting the manner in which Western may choose to make any public announcement, except as provided by applicable law, Western shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release through its usual news wire service.

If, prior to the Expiry Time or after the Expiry Time but before the expiry of all rights to withdraw Shares deposited to the Offer, a change (other than a change that is not within the control of Western or its affiliates) has occurred in the information set forth in the Offer to Purchase, the Circular or in any notice of change or variation that would reasonably be expected to affect the decision of Shareholders to accept the Offer, Western will cause a notice of change to be delivered to all Shareholders whose Shares have not been taken up as of the date of such change and will extend the time during which the Offer is open to the extent required under applicable Canadian securities legislation.

9. PAYMENT IN THE EVENT OF MAIL SERVICE INTERRUPTION

Notwithstanding the provisions of the Offer and Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery, cheques in payment for Shares purchased under the Offer and certificates for any Shares to be returned will not be mailed if Western determines that delivery by mail may be delayed. Persons entitled to cheques or certificates which are not mailed for this reason may take delivery at the office of the Depositary at which the deposited certificates for the Shares were delivered until Western has determined that delivery by mail will no longer be delayed. Western will provide notice as provided under Section 11 of the Offer to Purchase, titled “Notice”, of any determination not to mail under this Section 9 as soon as reasonably practicable after such determination is made. The deposit by Western of cheques with the Depositary in these circumstances will constitute delivery to the persons entitled to them and payment for the Shares will be deemed to have been made immediately upon such deposit.

10. LIENS; DIVIDENDS

Shares acquired pursuant to the Offer shall be acquired by Western free and clear of all liens, charges, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits arising therefrom, including, without limitation, the right to any and all distributions, dividends, payments, securities, rights, assets or other interests which may be declared, paid, issued, distributed, made or transferred on or in respect of such Shares to Shareholders of record on or after the date that Western takes up and accepts for payment the Shares under the Offer. Any distributions, dividends, payments, securities, rights, assets or other interests which may be declared, paid, issued, distributed, made or transferred on or in respect of such Shares to Shareholders of record prior to the date upon which the Shares are taken up and accepted for payment under the

Offer shall be for the account of such Shareholders. Each Shareholder of record as of the applicable record date prior to the date upon which the Shares are taken up and accepted for payment under the Offer will be entitled to receive that distribution, dividend, payment, security, right, asset or other interest (if any), whether or not such Shareholder deposits Shares pursuant to the Offer.

Each depositing Shareholder will be bound by a representation and warranty that such Shareholder has full power and authority to deposit, sell, assign and transfer the Deposited Shares and any and all distributions, dividends, payments, securities, rights, assets or other interests which may be declared, paid, issued, distributed, made or transferred on or in respect of the Deposited Shares with a record date on or after the date that Western takes up and accepts for payment the Deposited Shares and that, if the Deposited Shares are accepted for purchase by Western, Western will acquire good title thereto, free and clear of all liens, charges, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits arising therefrom.

11. NOTICE

Without limiting any other lawful means of giving notice, any notice to be given by Western or the Depositary under the Offer will be deemed to have been properly given if it is mailed by first-class mail, postage prepaid, to the Registered Shareholders at their respective addresses as shown on the share register(s) maintained in respect of the Shares and, except as otherwise provided in the Offer, will be deemed to have been received on the first business day following the date of mailing. These provisions apply despite, (i) any accidental omission to give notice to any one or more Shareholders, and (ii) an interruption of mail service in Canada or the United States following mailing. In the event of an interruption of mail service following mailing, Western will use reasonable efforts to disseminate the notice by other means, such as publication. Except as otherwise required or permitted by law, in the event that post offices in Canada or the United States are not open for deposit of mail, or there is reason to believe there is or could be a disruption in all or any part of the postal service, any notice which Western or the Depositary may give or cause to be given under the Offer will be deemed to have been validly given and to have been received by Shareholders if it is issued by way of a news release and if it is published once in the National Edition of the Globe & Mail or the National Post and in a French language daily newspaper of general circulation in the Province of Québec. Whenever the Offer calls for documents to be delivered to the Depositary, such documents will not be considered delivered unless and until physically received at the office of the Depositary.

12. OTHER TERMS

(a) No broker, dealer or other person has been authorized to give any information or to make any representation in connection with the Offer other than as contained in the Offer to Purchase, the accompanying Circular, the related Letter of Transmittal and the Notice of Guaranteed Delivery, and, if any such information or representation is given or made, it must not be relied upon as having been authorized by the Company.

(b) The Offer and all contracts resulting from the acceptance thereof shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. Each party to any agreement resulting from the acceptance of the Offer unconditionally and irrevocably attorns to the exclusive jurisdiction of the courts of the Province of British Columbia and all courts competent to hear appeals therefrom.

(c) The provisions of the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery accompanying this Offer to Purchase, including the instructions contained therein, as applicable form part of the terms and conditions of this Offer to Purchase.

(d) Western, in its sole discretion, shall be entitled to make a final and binding determination of all questions relating to the interpretation of the Offer, the Offer and Circular, the Letter of Transmittal, the Notice of Guaranteed Delivery, the validity of any acceptance of the Offer, the *pro rata* entitlement of each depositing Shareholder, if applicable, and the validity of any withdrawals of Shares.

(e) The Offer is not being made to, nor will deposits of Shares be accepted from or on behalf of, Shareholders residing in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. Western may, in its sole discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and to extend the Offer to Shareholders in any such jurisdiction.

None of the Company, its Board of Directors or the Depositary makes any recommendation to Shareholders as to whether to deposit or refrain from depositing any or all of such Shareholder's Shares pursuant to the Offer. Shareholders are strongly urged to review and evaluate carefully all information in the Offer and Circular, to consult their own financial, tax and legal advisors, and to make their own decisions as to whether to deposit Shares to the Offer and, if so, how many Shares to deposit and at what price or prices.

The accompanying Circular, together with the Offer to Purchase, constitutes the issuer bid circular required under Canadian securities legislation with respect to the Offer.

Shareholders are urged to carefully review the accompanying Circular, Letter of Transmittal and Notice of Guaranteed Delivery for additional information relating to the Offer and Western.

Dated: July 2, 2013

WESTERN FOREST PRODUCTS INC.

By: (signed) "*Don Demens*"

Don Demens
Chief Executive Officer and President

CIRCULAR

This Circular is being furnished in connection with the accompanying Offer by Western to purchase for cash up to an aggregate maximum of $100 million in value of its Shares, at a purchase price of not less than $1.30 and not more than $1.50 per Share, all upon the terms and subject to the conditions set forth in the accompanying Offer to Purchase. Capitalized words and defined terms used in this Circular, unless otherwise defined herein, have the meanings given to them above under the section titled "Glossary" in the Offer to Purchase. The terms and conditions of the Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery are incorporated into and form part of this Circular. Reference is made to the Offer to Purchase for details of the terms and conditions of the Offer.

1. CERTAIN INFORMATION CONCERNING WESTERN

General

Western's business is timber harvesting and lumber manufacturing for worldwide markets. Western's operations are located in the coastal region of British Columbia. Western's corporate office is located at Suite 510 – 700 West Georgia, TD Tower PO Box 10032, Pacific Centre, Vancouver, British Columbia, V7Y 1A1 and the registered office is located at Suite 2800, 666 Burrard Street, Vancouver, BC, V6C 2Z7.

The Company was incorporated as 4204247 Canada Inc. under the CBCA on April 27, 2004 and changed its name to Western Forest Products Inc. on June 21, 2004. On July 27, 2004, Western acquired the solid wood assets and certain pulp assets of Doman Industries Limited and certain related companies. Western commenced business on July 28, 2004 and on August 3, 2004, the Common Shares began trading on the TSX under the symbol "WEF". In June 2006, Western's articles were amended to create Non-Voting Shares.

On May 1, 2006, Western acquired all of the issued and outstanding shares of Cascadia Forest Products Ltd. ("**Cascadia**"). Immediately after the acquisition, Western and Cascadia amalgamated with two of Western's subsidiaries, WFP Western Lumber Ltd. and Mid-Island Reman Inc. The amalgamated company continued as Western Forest Products Inc. On March 1, 2007, Western amalgamated with its wholly-owned subsidiary, Western Pulp Limited. The amalgamated company continues to be called Western Forest Products Inc.

Western is subject to the information and reporting requirements of applicable Canadian securities laws and the rules of the TSX and, in accordance therewith, files periodic reports and other information with the applicable Canadian securities regulatory authorities and the TSX relating to its business, financial condition and other matters. Western files reports, statements and other information with the Canadian Securities Administrators which may be accessed on SEDAR at www.sedar.com.

Significant Shareholder

As at June 28, 2013, Brookfield SS (formerly Tricap Management Limited), an indirect wholly-owned subsidiary of Brookfield, owns (i) 120,639,345 Common Shares, representing approximately 48% of the issued and outstanding Common Shares on a non-diluted basis, and (ii) 216,833,059 Non-Voting Shares, representing 100% of the issued and outstanding Non-Voting Shares.

2. BACKGROUND TO THE OFFER

Since January, 2011, the Company has reported improved operating and financial results that have resulted in the cumulative generation of $134 million of cash flow from operations and generated proceeds of $48 million from the sale of non-core assets. The Company has used this capital to pay down $100 million in debt and has re-invested $62 million in the operations of the business. At March 31, 2013, the Company had no debt and available liquidity of $207 million, including credit facilities. Further, as reported with the financial results from the first quarter of 2013, the U.S. housing recovery is accelerating, driving increased demand for lumber.

Considering these and other factors, on July 2, 2013, the Board of Directors discussed and approved the making of the Offer. As the Board of Directors believes that having a modest amount of debt on the Company's balance sheet would be appropriate and sustainable, it is intended that $100 million of the Company's available credit lines would be used to repurchase the Shares for cancellation pursuant to the Offer.

The Board of Directors also announced on July 2, 2013 that it would begin paying a regular quarterly dividend of initially $0.02 per Share. Any such dividend will be declared and paid in the discretion of the Board of Directors, but it is expected that the first quarterly dividend will be paid on September 20, 2013 to shareholders of record on September 1, 2013.

3. PURPOSE AND EFFECT OF THE OFFER

Western is making the Offer because the Board of Directors believes that the Offer is an appropriate allocation of the capital resources available to the Company and that the Offer will benefit those who choose to remain Shareholders following closing of the Offer.

The Board of Directors has unanimously determined that the Offer is in the best interests of the Company and its Shareholders and has unanimously approved the making of the Offer. The Board also determined that the Offer is one method by which it can, in effect, return cash proceeds to Shareholders. In evaluating the Offer, the Board of Directors gave careful consideration to a number of factors, including the following:

(a) the belief that the Offer is an equitable and efficient means to distribute up to $100 million in cash in the aggregate to Shareholders, while providing Shareholders with an option to elect whether to participate in the distribution;

(b) after giving effect to the Offer, the Board believes that Western will continue to have sufficient financial resources and working capital to conduct its ongoing business and operations and to fund the future growth of the business of Western;

(c) the Offer provides Shareholders who are considering the sale of all or a portion of their Shares with the opportunity to determine the price at which they are willing to sell their Shares if such Shares are deposited pursuant to an Auction Tender or the opportunity to deposit their Shares without specifying a price if such Shares are deposited pursuant to a Purchase Price Tender and, if any such Shares are purchased pursuant to the Offer, to sell such Shares for cash without the usual transaction costs associated with market sales;

(d) depositing Shares under the Offer is optional and available to all Shareholders and, therefore, each Shareholder is free to accept or reject the Offer, and, if accepted, to determine how many Shares to deposit under the Offer, subject to applicable legal constraints;

(e) the Offer is not conditional upon any minimum number of Shares being deposited;

(f) Shareholders who do not deposit their Shares to the Offer will realize a proportionate increase in their equity interest in the Company to the extent Shares are purchased by the Company pursuant to the Offer;

(g) for Shareholders owning fewer than 100 Shares in the aggregate who deposit all such Shares to the Offer at a price equal to or less than the Purchase Price, Western will purchase all of the Shares held by the Shareholder without pro-ration (but otherwise subject to the terms and conditions of the Offer); and

(h) the determination by the Board of Directors that there is a liquid market for the Common Shares as of the date hereof and that it would be reasonable to conclude that, following the completion of the Offer, there will be a market for non-tendering Shareholders that is not materially less liquid than the market that existed when the Offer was made (see "**Liquidity of Market**" below).

The foregoing summary of information and factors is not intended to be exhaustive of the information and factors considered by the Board in determining to authorize and approve the Offer, but includes the material factors considered by the Board in reaching its decision. The members of the Board evaluated various factors, including those summarized above, in light of their own knowledge of the business, assets, financial condition, operations and prospects of Western and based upon the advice of their advisors. In view of the numerous factors considered, the Board did not find it practicable to, and did not quantify or otherwise attempt to assign relative weight to specific factors in reaching its decision. In addition, individual members of the Board may have given different weight to different factors. The determination of the Board to make the Offer was made after careful consideration, evaluation and deliberation of all of the factors involved and various other information.

None of the Company, its Board of Directors, its officers or the Depositary makes any recommendation to Shareholders as to whether to deposit or refrain from depositing any or all of such Shareholder's Shares pursuant to the Offer. No person has been authorized to make any such recommendation. Shareholders are strongly urged to review and evaluate carefully all information in the Offer and Circular, to consult their own financial, tax and legal advisors, and to make their own decisions as to whether to deposit Shares to the Offer and, if so, how many Shares to deposit and at what price or prices. Western is making the Offer because the Board of Directors believes that the Offer is an appropriate allocation of the capital resources available to the Company and that the Offer will benefit those who choose to remain Shareholders following closing of the Offer.

Liquidity of Market

We are relying on the "liquid market exemption" specified in MI 61-101 and, as a consequence, are not required to obtain a formal valuation with respect to the Offer. Accordingly, the valuation requirements of applicable securities regulatory authorities in Canada applicable to issuer bids will not be applicable in connection with the Offer. We have determined that there is a liquid market in the Common Shares under the criteria in MI 61-101 because:

(a) there is a published market for the Common Shares, namely the TSX;

(b) during the 12-month period before July 2, 2013 (the date the Offer was announced):

   (i) the number of issued and outstanding Common Shares was at all times at least 5,000,000, excluding Common Shares beneficially owned, directly or indirectly, or over which control or direction was exercised, by "related parties" (as defined in MI 61-101) and Common Shares that were not freely tradeable;

   (ii) the aggregate trading volume of the Common Shares on the TSX, being the published market on which our Common Shares are principally traded, was at least 1,000,000 Common Shares;

   (iii) there were at least 1,000 trades of Common Shares on the TSX; and

   (iv) the aggregate trading value based on the price of the trades referred to in clause (iii) was at least $15,000,000; and

(c) the market value of the Common Shares on the TSX, as determined in accordance with applicable rules, was at least $75,000,000 in June, 2013, being the calendar month preceding the calendar month in which the Offer was announced.

The Board of Directors also considered the anticipated effect of the Offer on the liquidity of the market for non-tendering Shareholders and, in so doing, considered the following factors:

(a) the extent by which the trading volume, number of trades and aggregate trading value of the Common Shares during the 12-month period preceding the announcement of the Offer, the size of our public float, and the market value of the Common Shares exceed the minimum "liquid market" requirements specified in MI 61-101;

(b) the maximum number of Shares to be acquired under the Offer in relation to the public float, the trading volumes of and the number of trades in Common Shares on the TSX, the value of trades on the TSX, and the market value of Common Shares in the 12-months preceding the announcement of the Offer;

(c) the fact that within the last 12 months, the public float increased by 62.5 million Common Shares as a result of a secondary offering by Brookfield SS in December, 2012; and

(d) the fact that at least 72% of the Shares to be acquired under the Offer will be acquired from Brookfield SS, whose shareholdings are not part of the public float, with the result that no more than 28% of the Shares to be acquired under the Offer will come from the public float.

The Board of Directors has determined that there is a liquid market for the Common Shares as of the date hereof and that it is reasonable to conclude that, following the completion of the Offer, there will be a market for non-tendering Shareholders that is not materially less liquid than the market that existed when we made the Offer. Based on such determination, the Company is exempted from the valuation requirements of securities regulatory authorities in Canada applicable to issuer bids generally.

4. PRIOR VALUATIONS

Pursuant to the provisions of MI 61-101, an issuer making an offer for its securities must, with certain limited exceptions, disclose every prior valuation or appraisal of its securities or any material asset made in the 24 months before the date of such offer whether or not prepared by an independent valuator, which would reasonably be expected to affect the decision of a security holder to retain or dispose of the securities affected by the offer. To the knowledge of the directors and officers of Western, after reasonable enquiry, no "prior valuations" (as such term is defined in MI 61-101) regarding Western, its securities or material assets have been prepared within the 24 months preceding the date hereof.

5. FINANCIAL INFORMATION

A copy of Western's audited consolidated financial statements, the notes thereto and the auditor's report thereon as at and for the fiscal year ended December 31, 2012 (the "**Annual Financial Statements**"), filed on February 21, 2013; as well as the unaudited condensed consolidated interim financial statements as at and for the three month period ended March 31, 2013 and the notes thereto (the "**Interim Financial Statements**"), filed on May 7, 2013 are available on SEDAR at www.sedar.com. Shareholders who wish to obtain a copy of our most recent interim financial report may do so, without charge, upon request to the Secretary of the Company at Suite 510 - 700 West Georgia Street, TD Tower, PO Box 10032, Vancouver, British Columbia V7Y 1A1, telephone (604) 648-4500, fax (604) 681-9584.

The Company expects to issue its financial statements for the six month period ended June 30, 2013 on July 31, 2013. Shareholders will have twelve days to review the financial and operating results prior to the expiry of the Offer. **We encourage you to review the second quarter financial statements, as well as the other information contained in the Offer to Purchase and Circular, and consult your own advisors as you consider how to respond to the Offer.**

6. PRICE RANGE OF COMMON SHARES; DIVIDENDS; PREVIOUS PURCHASES AND SALES OF SHARES

Trading of Shares on Principal Markets

The Common Shares are listed and posted for trading on the TSX under the symbol "WEF". The following table below sets forth, for the periods indicated over the 6 months prior to the date of the Offer, the price range and volumes traded or quoted on the TSX (as reported by TMX Datalinx):

High and Low Prices and Volume on a Monthly Basis			
	TSX		
Period	High	Low	Volume
June, 2013	1.34	1.21	5,531,439
May, 2013	1.38	1.25	7,632,242
April, 2013	1.44	1.21	10,479,245
March, 2013	1.49	1.27	15,612,725
February, 2013	1.36	1.20	5,880,065
January, 2013	1.42	1.23	12,446,182

Note: Past performance should not be seen as an indicator of future performance.

Western announced the Offer on July 2, 2013. The closing price per Common Share on the TSX on June 28, 2013, the last Trading Day immediately prior to the announcement of the Offer, was $1.26. The maximum Purchase Price under the Offer represents a premium of approximately 15% over the daily volume weighted average trading price of the Common Shares on the TSX of $1.30 for the last 30 Trading Days preceding the date of Western's announcement.

The completion of the Offer in accordance with its terms and conditions will not cause the Common Shares to be delisted from the TSX or cause the Company to no longer be subject to the periodic reporting requirements of the applicable securities laws of the provinces and territories of Canada.

The Non-Voting Shares are not listed or posted for trading on any market or stock exchange. Pursuant to Section 3.5 of Schedule "A" to Western's articles, the Non-Voting Shares are required to be treated identically by the Company in the event of an issuer bid by the Company in respect of the Common Shares.

SHAREHOLDERS ARE URGED TO OBTAIN CURRENT MARKET QUOTATIONS FOR THE COMMON SHARES.

Dividend Policy

The Company has never declared or paid dividends on its Shares. However, on July 2, 2013, the Board of Directors announced that it would begin paying a regular quarterly dividend of initially $0.02 per Share. Any such dividend will be declared and paid in the discretion of the Board of Directors, but it is expected that the first quarterly dividend will be paid on September 20, 2013 to shareholders of record on September 1, 2013.

Previous Purchases and Sales

The Company has not purchased or sold any securities of Western during the 12-month period preceding the date of the Offer, excluding securities purchased or sold pursuant to the exercise of employee stock options, warrants and conversion rights.

Previous Distribution

During the five years preceding the Offer, Shares have been distributed, as set out below. These distributions were made in accordance with the terms of the applicable offering document.

Date of Transaction	Nature of Transaction	Number of Shares	Distribution Price per Share	Aggregate Gross Proceeds to the Company or Selling Shareholder
December 4, 2012	Secondary Offering by way of short form prospectus	62,500,000 Common Shares[1]	$1.20	$75 million received by Brookfield SS
December 4, 2012	Issuance of Common Shares on conversion of Non-Voting Shares	59,612,801 Common Shares	N/A	N/A
March 14, 2012	Exercise of stock options	400,000 Common Shares	$0.22	$88,000 received by the Company
March 14, 2012	Exercise of stock options	80,000 Common Shares	$0.77	$61,600 received by the Company
January 21, 2009	Rights Offering	263,157,918 Common Shares	$0.19	$50 million received by the Company

Note:
[1] Pursuant to a short form prospectus, 62,500,000 Non-Voting Shares of Brookfield SS were distributed to the underwriters of the secondary offering, which were then converted into Common Shares on a one-for-one basis, following which such Common Shares were distributed to the public.

7. INTERESTS OF DIRECTORS AND OFFICERS AND OWNERSHIP OF SECURITIES OF WESTERN

Ownership of Securities of Western

The following table indicates, as at June 28, 2013, the number of Shares beneficially owned, or over which control or direction was exercised, by each director and officer of Western and, to the knowledge of Western after reasonable enquiry, each associate and affiliate of Western, each insider of Western (other than directors and officers) and each associate and affiliate of such insider.

Name	Relationship with Western	Number of Shares	% of Outstanding Shares
Brookfield Special Situations Management Limited	Insider (significant shareholder)	120,639,345 Common Shares 216,833,059 Non-Voting Shares	48% of Common Shares 100% of Non-Voting Shares
James Arthurs	Director	52,436 Common Shares	0.02% of Common Shares

To the knowledge of Western, as at June 28, 2013, the directors and officers of Western as a group beneficially owned, or exercised control or direction over, an aggregate of 52,436 Common Shares or less than 1% of the outstanding Common Shares. No person or company is acting jointly or in concert with Western in connection with the Offer.

Acceptance of the Offer

As a result of the Offer, Brookfield SS's total voting ownership of the Company may decrease depending on the amount of Common Shares to be purchased from other Shareholders under the Offer. In the event that there is such a reduction in Brookfield SS's total voting ownership, Brookfield SS may approach the Company following completion of the Offer to explore alternatives for returning Brookfield SS's voting ownership threshold to approximately its current 48%, including a potential conversion of certain of its Non-Voting Shares.

To the knowledge of the Company and its directors and officers, after reasonable enquiry, no director or officer of the Company, no associate or affiliate of a director or officer of the Company, no insider of the Company (other than a director, officer or Brookfield SS) and no person or company acting jointly or in concert with the Company, has indicated any present intention to deposit any of such person's or company's Shares pursuant to the Offer. In the event that the circumstances or decisions of any such persons or companies change, they may decide to tender, or not to tender, Shares to the Offer or sell their Shares through the facilities of the TSX or otherwise during the period prior to the Expiry Date.

Effect of Offer on Voting Interests

Subject to the number of Common Shares to be purchased under the Offer from Shareholders other than Brookfield SS, the effect of the Offer will be to potentially increase the equity and voting interest of continuing Shareholders, other than Brookfield SS, by up to approximately 12%. As a result of the Offer, Brookfield SS's total voting ownership of the Company may decrease depending on the amount of Common Shares to be purchased from other Shareholders under the Offer. In the event that there is such a reduction in Brookfield SS's total voting ownership, Brookfield SS may approach the Company following completion of the Offer to explore alternatives for returning Brookfield SS's voting ownership threshold to approximately its current 48%, including a potential conversion of certain of its Non-Voting Shares.

Commitments to Acquire Shares

Western has no agreements, commitments or understandings to purchase Shares or other equity securities of Western, other than pursuant to the Offer. To the knowledge of Western, after reasonable inquiry, no person named under Section 7 of the Circular, titled "Interests of Directors and Officers and Ownership of Securities of Western - Ownership of Securities of Western" has any commitment to purchase Shares or other equity securities of Western.

Benefits From the Offer

To the knowledge of the Company after reasonable inquiry, no person or company named under Section 7 of the Circular, titled "Interests of Directors and Officers and Ownership of Securities of Western - Ownership of Securities of Western" will receive any direct or indirect benefit from accepting or refusing to accept the Offer, other than those benefits available to any Shareholder from accepting or refusing to accept the Offer.

Contracts, Arrangements or Understandings

Neither the Company nor, to the knowledge of the Company's management, any of the Company's directors or officers or any of the directors or officers of any of the Company's subsidiaries, is a party to any contract, arrangement or understanding, formal or informal, with any security holder relating, directly or indirectly, to the Offer or with any other person or company with respect to any of the Company's securities, nor are there any contracts or arrangements made or proposed to be made between the Company and any of its directors or officers and no payments or other benefits are proposed to be made or given by way of compensation for loss of office or as to such directors or officers remaining in or retiring from office if the Offer is successful.

8. MATERIAL CHANGES IN THE AFFAIRS OF WESTERN FOREST PRODUCTS INC. AND OTHER MATERIAL FACTS

Except as described or referred to herein, Western is not aware of any material fact concerning the Shares or any other matter not previously generally disclosed and known to Western which would reasonably be expected to affect the decision of Shareholders to accept or reject the Offer. See Section 5 of this Circular, titled "Financial Information". Western regularly reviews acquisition and disposition opportunities in the ordinary course of business. Except as described or referred to herein or as otherwise publicly disclosed, Western has no current plans or proposals to make any material change in its business, corporate structure, management or personnel.

Western currently has no intention to undertake a "going private transaction" or to acquire Shares from Shareholders who do not accept the Offer by way of compulsory acquisition. Canadian securities laws prohibit Western and its affiliates from acquiring any Shares other than pursuant to the Offer until at least 20 business days after the Expiry Date or the date of termination of the Offer. Subject to applicable law, Western may in the future purchase additional Shares on the open market, pursuant to its existing or future normal course issuer bids, in private transactions, through subsequent issuer bids, or otherwise. Any such purchases may be on the same terms or on terms that are more or less favourable to Shareholders than the terms of the Offer. Any possible future purchases by Western will depend on many factors, including the market price of the Shares, Western's business and financial position, the results of the Offer, and general economic and market conditions.

9. CERTAIN CANADIAN FEDERAL INCOME TAX CONSEQUENCES

The following summary describes, as at the date hereof, the principal Canadian federal income tax considerations generally applicable to a Shareholder that disposes of its Common Shares pursuant to the Offer and that, for purposes of the Tax Act, at all relevant times, (i) is not exempt from tax under the Tax Act, (ii) holds such Common Shares as capital property, and (iii) deals at arm's length and is not "affiliated" (as defined in the Tax Act) with the Company (a "**Holder**"). Generally, the Common Shares will be considered to be capital property to a Shareholder provided that the Shareholder does not use or hold, and is not deemed to use or hold, the Common Shares in the course of carrying on a business and has not acquired the Common Shares in one or more transactions considered to be an adventure or concern in the nature of trade. As more fully described below, Shareholders that are residents of Canada may be able to elect to have the Common Shares be treated as capital property.

This summary is not applicable to a Shareholder an interest in which is a "tax shelter investment", as defined in the Tax Act, a Shareholder that is a "financial institution" for purposes of the "mark-to-market" rules in the Tax Act, or to a Shareholder that has elected to report its "Canadian tax results" (as defined in the Tax Act) in a currency other than the Canadian currency. This summary is not applicable to a Shareholder that is a "specified financial institution" or "restricted financial institution" as defined in the Tax Act. This summary is also not applicable to a holder of Non-Voting Shares. All such Shareholders should consult their own tax advisors.

This summary is based upon the provisions of the Tax Act and on our understanding of the published administrative policies and assessing practices of the CRA, all in effect as of the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and assumes that all Tax Proposals will be enacted in the form proposed. However, there can be no assurance that the Tax Proposals will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or in administrative policies and assessing practices, whether by legislative, regulatory, administrative or judicial action, nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Shareholder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Shareholders should consult their own tax advisors for advice with respect to the tax consequences to them of selling their Common Shares under the Offer, having regard to their own particular circumstances.

Shareholders Resident in Canada

The following discussion applies to a Holder that, for the purposes of the Tax Act and at all relevant times, is resident or is deemed to be resident in Canada (a "**Canadian Shareholder**"). Certain Canadian Shareholders that might not otherwise be considered to hold their Common Shares as capital property may, in certain circumstances, be entitled to have the Common Shares and all other "Canadian securities" (as defined in the Tax Act) owned by such Canadian Shareholders in the taxation year of the election and all subsequent taxation years deemed to be capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Such Canadian Shareholders should consult their own tax advisors for advice with respect to whether an election under subsection 39(4) of the Tax Act is available or advisable having regard to their particular circumstances.

A Canadian Shareholder who sells a Common Share to the Company pursuant to the Offer will not be deemed to have received a taxable dividend as a result of the sale provided that the paid- up capital of such Common Share for purposes of the Tax Act at the time of sale exceeds the amount paid by the Company for such Common Share pursuant to the Offer. The Company expects that the paid-up capital of each Common Share for purposes of the Tax Act will exceed the amount payable for such Common Share pursuant to the Offer. Accordingly, this summary assumes that no dividend will be deemed to be received by a Canadian Shareholder on the sale of a Common Share to the Company pursuant to the Offer.

The amount paid by the Company for a Common Share disposed of by a Canadian Shareholder under the Offer will be treated as proceeds of disposition of the Common Share. A Canadian Shareholder will realize a capital gain (or capital loss) on the disposition of the Common Share equal to the amount by which the Canadian Shareholder's proceeds of disposition, net of any costs of disposition, exceed (or are less than) the adjusted cost base to the Canadian Shareholder of the Common Share.

Generally, a Canadian Shareholder will be required to include in computing its income for a taxation year one-half of any capital gain (a "**taxable capital gain**") realized by it in that year. A Canadian Shareholder must generally deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Canadian Shareholder in that year, and any excess may generally be applied to reduce taxable capital gains realized by the Canadian Shareholder in the three preceding taxation years or in any subsequent taxation year to the extent and under the circumstances specified in the Tax Act.

The amount of a capital loss realized on the disposition of a Common Share by a Canadian Shareholder that is a corporation may, to the extent and under the circumstances specified in the Tax Act, be reduced by the amount of dividends received or deemed to be received on the Common Shares. Similar rules may apply where Common Shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

A Canadian Shareholder who is an individual (other than a trust) and has realized a capital loss on the sale of Common Shares pursuant to the Offer could have all or a portion of that loss denied under the "superficial loss" rules set out in the Tax Act. In general, these rules apply where such Canadian Shareholder or a person affiliated with such Canadian Shareholder has acquired Common Shares in the period beginning 30 days before the sale of Common Shares pursuant to the Offer and ending 30 days after the sale of Common Shares pursuant to the Offer, and such acquired Common Shares are owned by such Canadian Shareholder or by a person affiliated with such Canadian Shareholder at the end of such period. Canadian Shareholders who are individuals are urged to consult with their own tax advisors with respect to the application of the "superficial loss" rules having regard to their own circumstances.

A Canadian Shareholder that is a corporation or trust and has realized a capital loss on the sale of Common Shares pursuant to the Offer could have all or a portion of that loss denied under the "stop-loss" rules set out in the Tax Act. In general, these rules apply where such Canadian Shareholder or a person affiliated with such Canadian Shareholder has acquired Common Shares in the period beginning 30 days before the sale of Common Shares pursuant to the Offer and ending 30 days after the sale of Common Shares pursuant to the Offer, and such acquired Common Shares are owned by such Canadian Shareholder or by a person affiliated with such Canadian Shareholder at the end of such period. Canadian Shareholders that are corporations or trusts are urged to consult their own tax advisors with respect to the application of the "stop-loss" rules having regard to their own circumstances.

A Canadian Shareholder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) throughout the year may be liable to pay an additional refundable tax of 6⅔% on its "aggregate investment income" for the year, which is defined to include an amount in respect of taxable capital gains.

A Canadian Shareholder who is an individual, including a trust (other than certain specified trusts), who realizes a capital gain on the sale of Common Shares pursuant to the Offer may be subject to alternative minimum tax under the Tax Act. Such Canadian Shareholders should consult their own tax advisors with respect to the alternative minimum tax rules in the Tax Act.

Shareholders Not Resident in Canada

The following discussion applies to a Holder that, at all relevant times, for purposes of the Tax Act and any applicable tax treaty or convention, (i) is neither resident nor deemed to be resident in Canada and (ii) does not and is not deemed to use or hold Common Shares in carrying on business in Canada, (in each case a "**Non-Canadian Shareholder**").

A Non-Canadian Shareholder who sells a Common Share to the Company pursuant to the Offer will not be deemed to have received a taxable dividend as a result of the sale provided that the paid-up capital of such Common Share for purposes of the Tax Act at the time of sale exceeds the amount paid by the Company pursuant to the Offer. The Company expects that the paid-up capital of each Common Share for purposes of the Tax Act currently exceeds the amount payable for such Common Share pursuant to the Offer. Accordingly, this summary assumes that no dividend will be deemed to be received by a Canadian Shareholder on a sale of a Common Share to the Company pursuant to the Offer.

A Non-Canadian Holder who sells Common Shares to the Company pursuant to the Offer will not be subject to tax under the Tax Act on any capital gain realized on such sale unless the Common Shares are "taxable Canadian property" to the Non-Canadian Holder at the time of such sale and such gain is not otherwise exempt from tax under the Tax Act pursuant to the provisions of an applicable income tax convention (if any). Generally, provided the Common Shares are listed on a "designated stock exchange" as defined in the Tax Act (which includes the TSX) at the time of disposition, the Common Shares will not constitute taxable Canadian property to a Non-Canadian Holder, unless, at any time during the 60 month period immediately preceding the disposition, (a) the Non-Canadian Holder, persons with whom the Non-Canadian Holder did not deal at arm's length, or the Non-Canadian Holder together with all such persons, owned 25% or more of the issued Common Shares or any other issued class of the Company's shares AND (b) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from any one or combination of (i) real or immovable property situated in Canada, (ii) Canadian resource properties, (iii) timber resource properties, and (iv) options in respect of, or interests in, or for civil law rights in, property described in any of (i) to (iii), whether or not that property exists. A Common Share may also be deemed to be taxable Canadian property to a Non-Canadian Holder in certain circumstances specified in the Tax Act.

Even if a Common Share is taxable Canadian property to a Non-Canadian Holder, any gain realized on a disposition of the Common Share may be exempt from tax under the Tax Act pursuant to the provisions of an applicable income tax convention (if any). Non-Canadian Holders should consult their own tax advisors in this regard.

In the event a Common Share is taxable Canadian property to a Non-Canadian Holder at the time of disposition and the capital gain realized on disposition of the Common Share is not exempt from tax under the Tax Act pursuant to the provisions of an applicable income tax convention, the tax consequences in respect of capital gains described above under "Shareholders Resident in Canada" will generally apply.

United States Tax Consequences

Shareholders should be aware that acceptance of this Offer may have tax consequences in the U.S. U.S. tax consequences for Shareholders who are resident in, or citizens of, the U.S. are not described herein and such residents or citizens are urged to consult their tax advisors as to the application of tax law to them. Cash proceeds received by a U.S. Shareholder under the Offer may be subject to certain information reporting and backup withholding taxes. See the attachment to the Letter of Transmittal for information regarding the procedure for a U.S. Shareholder to provide the Company with the U.S. Shareholder's taxpayer identification number under Substitute IRS Form W-9.

U.S. SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISERS AS TO THE SPECIFIC TAX CONSEQUENCES OF THE OFFER TO THEM, INCLUDING TAX RETURN REPORTING REQUIREMENTS, BACKUP WITHHOLDING RULES, THE APPLICABILITY AND EFFECT OF U.S. FEDERAL, STATE, AND LOCAL AND NON-U.S. TAX LAWS, AND THE EFFECT OF ANY PROPOSED CHANGES IN APPLICABLE TAX LAWS.

10. CERTAIN LEGAL MATTERS; REGULATORY APPROVALS

Western is not aware of any license or regulatory permit that is material to Western's business that might be adversely affected by Western's acquisition of Shares pursuant to the Offer or of any approval or other action by any government or governmental, administrative or regulatory authority or agency in any jurisdiction, that would be required for the acquisition or ownership of Shares by Western pursuant to the Offer. Should any such approval or other action be required, we currently contemplate that such approval will be sought or other action will be taken.

We cannot predict whether we may determine that we must delay the acceptance for payment of Shares deposited pursuant to the Offer pending the outcome of any such matter.

11. SOURCE OF FUNDS

On June 28, 2013, the Company amended its revolving term loan facility with GE Capital, Canada (the "**GE Facility**"). Under the terms of the amended GE Facility, certain covenants were changed, including to extend the maturity of the facility by twelve months to June 29, 2017 and to permit payments to Shareholders of up to $150 million at any time prior to June 30, 2014. It is intended that the purchase of Shares pursuant to the Offer will be funded through the GE Facility.

The amended GE Facility permits the Company, until June 30, 2014, to make distributions and other payments to Shareholders in an aggregate amount not to exceed $150 million, provided that no default or event of default (as specified in the GE Facility) has occurred and is continuing at the time of such payments, and that the initial payment to be made to Shareholders be not less than $70 million. The Company anticipates repaying the debt from the GE Facility from operating cash flow and the sale of non-core assets.

12. DEPOSITARY

Western has appointed Computershare Investor Services Inc. to act as a Depositary for: (i) the receipt of certificates representing Shares and related Letters of Transmittal deposited under the Offer, (ii) the receipt of Notices of Guaranteed Delivery and certificates delivered pursuant to the procedures for guaranteed delivery set forth in Section 4 of the Offer to Purchase, titled "Procedure for Depositing Shares", (iii) the receipt from of Western cash to be paid in consideration of the Shares acquired by Western under the Offer, as agent for the depositing Shareholders, and (iv) the transmittal of such cash to the depositing Shareholders. The Depositary may, but shall be under no obligation to, contact Shareholders by mail, telephone or facsimile and may request investment dealers, stock brokers, commercial banks, trust companies and other nominee Shareholders to forward materials relating to the Offer to beneficial owners of Shares. The Depositary is not an affiliate of Western and the Depositary also acts as Western's transfer agent and registrar.

13. STATUTORY RIGHTS

Securities legislation in the provinces and territories of Canada provides Shareholders with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to the Shareholders. However, such rights must be exercised within prescribed time limits. Shareholders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

14. FEES AND EXPENSES

No fee or commission will be payable by any registered Shareholder who deposits such Shares directly with the Depositary in connection with this Offer. If you are a Non-Registered Shareholder who holds your Shares through an investment dealer, stock broker, commercial bank, trust company or other nominee, you should consult with such persons regarding whether fees or commissions will apply in connection with a deposit of Shares pursuant to the Offer. Investment dealers, stock brokers, commercial banks, trust companies and other nominees may, in certain circumstances, be reimbursed by the Company for customary clerical and mailing expenses incurred by them in forwarding materials to their customers.

As described above in Section 12 of this Circular, titled "Depositary", Western has retained Computershare Investor Services Inc. to act as the Depositary in connection with the Offer. The Depositary will receive reasonable and customary compensation for its services, will be reimbursed for certain reasonable out-of-pocket expenses incurred in connection with its duties as Depositary and will be indemnified against certain liabilities and expenses in connection with the Offer, including certain liabilities under Canadian securities laws.

Assuming the maximum number of Shares are purchased under the Offer, Western is expected to incur fees and expenses of approximately $350,000 in connection with the Offer, including filing fees and legal fees and

Depositary, printing, mailing and translation fees and expenses. Such fees and expenses will be paid by Western from available cash on hand.

15. DIRECTORS' APPROVAL

The contents of the Offer and Circular have been approved, and the sending, communicating or delivery of the Offer and Circular to the Shareholders of Western have been authorized, by the Board of Directors of the Company.

CERTIFICATE

Dated: July 2, 2013

The Offer and Circular contain no untrue statement of a material fact and do not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

(Signed) Don Demens President and Chief Executive Officer	(Signed) Brian Cairo Chief Financial Officer and Corporate Secretary

On behalf of the Board of Directors

(Signed) J. Peter Gordon Director	(Signed) James Arthurs Director

The Letter of Transmittal, the Notice of Guaranteed Delivery, certificates representing Shares and any other required documents should be sent or delivered by each depositing Shareholder of Western or the Shareholder's investment dealer, stock broker, commercial bank, trust company or other nominee to the Depositary at its Toronto, Ontario office address below:

The Depositary for this Offer is:

Computershare Investor Services Inc.

By Regular Mail:

Computershare Investor Services Inc.
P.O. Box 7021
31 Adelaide Street East
Toronto, Ontario
M5C 3H2

Attention: Corporate Actions

By Hand, Courier or Registered Mail:

100 University Avenue
8th Floor
Toronto, Ontario
M5J 2Y1

Attention: Corporate Actions

Toll Free: 1-800-564-6253

E-mail: corporateactions@computershare.com

Any questions or requests for assistance may be directed to the Depositary at its address and telephone and facsimile number set forth above. Additional copies of the Offer and Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Depositary. Manually executed photocopies of the Letter of Transmittal and Notice of Guaranteed Delivery will be accepted. Shareholders may also contact their investment dealer, stock broker, commercial bank, trust company or other nominee for assistance concerning the Offer.