

Appendix "I"

CONIFEX TIMBER INC. ENVIRONMENTAL POLICY

Conifex Timber Inc. ("**Conifex**", "**we**", "**our**" or the "**Company**") is committed to responsible stewardship of the environment. We recognize that environmental excellence, particularly sustainable forest management, is crucial to our long-term business success.

Conifex is committed to:

- complying with environmental laws and regulations and with other requirements to which we subscribe;
- practicing sustainable forest management upon the lands where we operate, in a manner that is scientifically based, socially acceptable and economically practical;
- continual improvement of its environmental performance through:
 - raising environmental awareness with our employees and contractors via training and/or education;
 - periodic audits or reviews of our environmental performance and communication of the results to interested parties; and
 - establishment of objectives and targets designed to prevent pollution; and
- promoting the use of wood products as a positive environmental choice.