

**IN THE MATTER OF:**

**The *Securities Act*, R.S.N.S. 1989, c. 418,  
as amended (the "Act");**

**- and -**

**IN THE MATTER OF:**

**Canadian Forest Products Ltd.,  
Canfor Pulp Trust,  
Canfor Pulp Holding Inc. and  
Canfor Pulp Limited Partnership**

**O R D E R  
(Section 89(a))**

**UPON** the application of Canadian Forest Products Ltd. ("CFP"), Canfor Pulp Trust (the "Trust"), Canfor Pulp Holding Inc. (the "General Partner") in its own name and as general partner of Canfor Pulp Limited Partnership (the "Partnership", and together with CFP, the Trust and the General Partner, the "Canfor Entities") to the Nova Scotia Securities Commission (the "Commission") for an order pursuant to section 89(a) of the Act that each of the Canfor Entities is deemed to have ceased to be a reporting issuer for the purposes of the Act;

**AND UPON** reading the application and the recommendation of staff of the Commission;

**AND UPON** Canfor Corporation ("Canfor") and each of the Canfor Entities having represented to the Commission that:

1. Canfor was incorporated on May 17, 1966, under the *Company Act* (British Columbia) ("CA"), and is now governed by the *Business Corporations Act* (British Columbia) ("BCA"), which replaced the CA in March 2004. Canfor's principal and head office is in British Columbia.
2. Canfor is a reporting issuer or equivalent in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Northwest Territories, Yukon and Nunavut (the "Jurisdictions"). The common shares of Canfor are listed and posted for trading on the Toronto Stock Exchange (the "TSX") under the symbol "CFP".
3. Each of the Canfor Entities was deemed to be a reporting issuer under the Act following the completion of an arrangement (the "Arrangement") effective July 1, 2006 pursuant to section 288 of the BCA and pursuant to an arrangement agreement dated as of April 25, 2006 between Canfor, Canfor Pulp Income Fund (the "Fund") and each of the Canfor Entities.
4. As a result of the Arrangement, shareholders of Canfor received, in exchange for each common share of Canfor previously held, one new common share of Canfor and 0.1 of a trust unit of the Fund.
5. The Fund is an unincorporated open-ended limited purpose trust established under the laws of Ontario pursuant to a declaration of trust made as of April 19, 2006. The principal and head office of the Fund is in British Columbia.

6. The Fund was created by Canfor to indirectly acquire an interest in the Partnership through its holding of certain securities issued by the Trust. The Fund is a reporting issuer or equivalent in each Jurisdiction. The trust units of the Fund are listed and posted for trading on the TSX under the symbol “CFX”.
7. CFP is a wholly-owned subsidiary of Canfor or its affiliates, and was incorporated under the laws of British Columbia. The principal and head office of CFP is in British Columbia.
8. All of the issued and outstanding shares of CFP are owned by Canfor or its affiliates. CFP has no security holders whose latest address is in Nova Scotia.
9. The Trust is an unincorporated open-ended trust established under the laws of Ontario pursuant to a declaration of trust made as of April 19, 2006. The principal and head office of the Trust is in British Columbia.
10. The Trust was created to directly acquire approximately 20% of the outstanding units of the Partnership. All of the outstanding securities of the Trust are owned by the Fund. The Trust has no security holders whose latest address is in Nova Scotia.
11. The Partnership is a limited partnership formed under the laws of Manitoba. The principal and head office of the Partnership is in British Columbia.
12. The securities of the Partnership are owned as to approximately 20% by the Trust and approximately 80% by Canfor, except that the General Partner owns a 0.001% interest in the Partnership. The Partnership has no security holders whose latest address is in Nova Scotia.
13. The General Partner is a corporation incorporated under the laws of Canada. The principal and head office of the General Partner is in British Columbia.
14. CFP holds 100% of the outstanding shares of the General Partner, although the Trust holds an option to purchase 20% of the shares of the General Partner. The General Partner has no security holders whose latest address is in Nova Scotia.
15. The Canfor Entities are not reporting issuers in any other jurisdiction of Canada.
16. No securities of the Canfor Entities are traded on a marketplace as defined in National Instrument 21-101 - Marketplace Operation.
17. The Canfor Entities do not intend to seek public financing by way of an offering of their securities.

**AND UPON** the Commission being satisfied that to do so would not be prejudicial to the public interest;

**IT IS ORDERED**, pursuant to section 89(a) of the Act, that each of the Canfor Entities is deemed to have ceased to be a reporting issuer for the purposes of the Act.

**SIGNED** at Halifax, Nova Scotia, this 26th day of July, 2006.

**NOVA SCOTIA SECURITIES COMMISSION**

“H. Leslie O’Brien”

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