

Canfor-LP OSB Limited Partnership

OPEN LETTER

to Residents of Fort St. John & Area

As we wind down winter this month and welcome spring, we imagine many people in the Peace River region will still be asking themselves, "What happened this winter?" We have experienced all that winter in northeast BC offers - from cold and snow last September and October to deep cold and north winds through November and December to more of the same in early January and then a complete switch to more spring like weather for the past several weeks. Needless to say it's been a challenge for us, but we have been making the best of it and moving forward with construction of the world's largest OSB mill.

This is the second in our series of Open Letters to residents of Fort St. John and Area. A lot has happened since our first was published last fall and a lot will happen in the months to come. We continue to meet regularly with the local media and continue to keep our web site filled with new photos and information about the project. We also have a new way for residents to keep stay informed about developments with the project. However, you will have to read further to learn more about what we have in mind.

Canfor-LP OSB Statistics as of March 8, 2005

- 18,000 cubic metres of concrete have been poured
- 273 days of construction time have been worked with 0 lost time accidents
- 227,000 person hours have been worked
- 470,000 square feet of building have been erected
- \$205 million dollars have been committed to the project
- 30 days of assembling the OSB press have been videotaped
- 6300 cubic metres of wood have been delivered to the site
- 715 employees and contract workers have helped with the project
- 1,341 pigeons have been spotted inside the mill! (all-related)

Safety

We cannot begin to express our appreciation to the hundreds of men and women who so far have helped build our new mill without a single time loss injury. We said from the start of this project that safety would be our number one priority and our efforts to date have paid off. Regular safety meetings with all employees, regular safety inspections of the site, safety training for every new company and contract employee and a general objective by everyone involved that safety is paramount has combined to produce this outstanding record. As our stats show, we have gone 273 construction days without a time loss injury and have had 4 safety recognition lunches for the crew to celebrate our success. A credit to everyone involved!

We also want to congratulate everyone on the way the employees and crews reacted to the wind incident in late January. A sudden gust of high wind on Monday, January 31st resulted in the collapse of structural steel covering about 20,000 square feet of a new

section of the building and damage to steel covering another 20,000 square feet. This incident occurred just before 8:00 a.m. when it was still dark. Once the incident was known, emergency plans were activated and an assessment of the collapsed area was undertaken. RCMP, city fire and provincial ambulance crews rushed to the site to assist if required. Fortunately, no one was hurt or injured in the incident. An investigation continues to try to determine the cause or causes for the incident. The response to this incident clearly demonstrates the commitment to safety and emergency procedures by the staff and contract employees working at our site. Thank you to everyone involved.

Personnel & Employees

The work of building our Management Team is almost complete and the work of choosing the 100 or so employees that will maintain and operate the mill has begun. Our General Manager, Chris Baby, has been busy through the winter months working to fill the key management positions. So far the team includes:

- Chris Baby, General Manager
- Brian Dyck, Finance and Control Manager
- Kathy Coburn, Human Resources Manager
- Erin Donovan, Environmental Manager
- Tim Williams, Production Manager
- Don Soderlund, Maintenance Manager
- Brenda Dymond, Admin. Assistant
- Debbie Ewanchuck, Divisional Accountant

We have also been very busy screening, interviewing and testing numerous candidates to fill the team leader and functional support positions. We fully expect to have all of those positions filled by the end of March.

We will then turn our focus on recruiting, screening, testing and hiring the more than 100 employees who will run the mill. Ads have been placed in several newspapers throughout western Canada seeking qualified employees to fill the maintenance and operations positions in the mill itself. Plans call for these positions to be filled by the end of June and training to take place in July and August before production begins in September. It will be a busy summer in Fort St. John as we expect many of these new employees will be house hunting and checking out schools and services for their families.

Swanson Lumber Road

The Ministry of Transportation has announced major upgrade plans for Swanson Lumber Road and traffic flow along the route will be regularly interrupted this spring and summer. Plans call for the road to be fully resurfaced and widened in several areas with the installation of turning lanes into the mill for logging trucks. There are also plans to construct a new road configuration where Swanson Lumber Road meets the airport road. This work is required to make travel in the area safe and reflects the new reality that Fort St. John is growing and traffic is increasing.

Logs Delivered

One of the many project highlights of 2005 so far occurred on Monday, February 7 when the first two trucks of logs arrived at the mill. For those attending the arrival, it helped

put the project into perspective in that it takes aspen and cottonwood logs to make OSB and here they were, arriving at the weight scales for delivery to the log yard. Watching the historic event were company officials with Six Nations Ventures, the company that won the first contract to operate the log yard for this winter. As the name suggests, Six Nations Ventures is a joint-venture between the six Treaty 8 communities that have a Memorandum of Understanding with Canfor-LP OSB and just as Canfor and Louisiana-Pacific have teamed up to build the mill, the six nations involved in their new company have teamed up to unload the logs as they are delivered and manage the yard. Canfor Woodlands will manage the forest operations for Canfor-LP OSB and ensure the highest forest management standards are met.

Help Us Name Our Mill Contest

Canfor-LP OSB launched a contest in January inviting everyone in Fort St. John and Area to help us name our mill. The Board of Directors determined last year that we should try to identify a name that reflects the spirit of the company and the region we operate in and hence the call to the community for help in submitting concepts for a name and logo. The contest closed on February 28th. A Panel of Judges will work with a design team to come up with three options for the Citizens Information Liaison Committee and the Board of Directors to choose from. We expect to announce the new name, logo and slogan in early June.

Public Tours

Have you ever seen an OSB mill being constructed close up? Why not take a tour of our site and see one of the world's largest OSB mills being constructed? Starting this month and every month until the mill begins production, Canfor-LP OSB will offer public tours on the last Saturday of each month. Four tours will be offered each Tour Day. Each tour will take about 1.5 hours. Children 12 years of age and older are welcome. Since you will be on an active construction site, all we ask in return is that you conduct yourself in a very safe manner and follow the instructions of your tour guide. Please wear appropriate clothing and boots.

Look for more information on our web site at www.canforlp.com or call Brenda at (250) 261-5570 to book your tour. The first monthly Tour Day is scheduled for March 26th and, as it is the Easter weekend, we hope you will take time to come and see us for a tour of the construction of our OSB mill.

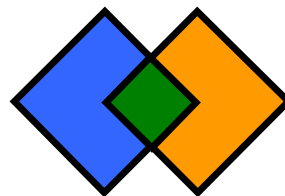
In closing, we would again like to thank you all for being so supportive of our project and our people and contractors and welcoming them into your fine community.

Respectfully submitted,

William Hebert, President

Chris Baby, General Manager

Roger Latterell, Project Manager



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