



Certificate of Amendment

Canada Business Corporations Act

Certificat de modification

Loi canadienne sur les sociétés par actions

WESTERN FOREST PRODUCTS INC.

Corporate name / Dénomination sociale

441028-9

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Virginie Ethier

Director / Directeur

2016-05-04

Date of Amendment (YYYY-MM-DD)

Date de modification (AAAA-MM-JJ)



Form 4
Articles of Amendment
Canada Business Corporations Act
(CBCA) (s. 27 or 177)

Formulaire 4
Clauses modificatrices
Loi canadienne sur les sociétés par
actions (LCSA) (art. 27 ou 177)

-
- 1 Corporate name
Dénomination sociale
WESTERN FOREST PRODUCTS INC.
-
- 2 Corporation number
Numéro de la société
441028-9
-
- 3 The articles are amended as follows
Les statuts sont modifiés de la façon suivante

See attached schedule / Voir l'annexe ci-jointe

-
- 4 Declaration: I certify that I am a director or an officer of the corporation.
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par
Stephen Williams

Stephen Williams
604-648-4572

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

The articles of the corporation is amended by removing the authorized but unissued non-voting shares. The common shares and preferred shares of the Company shall have attached to them the rights, privileges, restrictions and conditions as set out in the attached Schedule "A".

**WESTERN FOREST PRODUCTS INC.
SCHEDULE "A"**

**PART 1
RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS
ATTACHED TO THE COMMON SHARES**

1.1 **Voting.** The holders of the Common shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation (other than a separate meeting of the holders of another class of shares) and shall have one vote for each Common share held.

1.2 **Dividends.** Subject to the rights of the holders of the Preferred shares with respect to the payment of dividends, the holders of the Common shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the directors of the Corporation out of the monies of the Corporation properly available for the payment of dividends, dividends in such amount and in such form as the directors of the Corporation may from time to time determine.

1.3 **Dissolution.** Subject to the rights of the holders of the Preferred shares, in the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of Common shares shall be entitled to receive the remaining property and assets of the Corporation.

**PART 2
RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS
ATTACHED TO THE PREFERRED SHARES**

2.1 **Non-voting.** Except as otherwise required by law or hereinafter provided, the holders of the Preferred shares shall not be entitled to receive notice of or to attend or to vote at any meeting of shareholders of the Corporation.

2.2 **Issuable in Series.** The Preferred shares may, at any time or from time to time, be issued in one or more series, and the directors may, by resolution, fix the number of Preferred shares in, and determine the designation, rights, privileges, restrictions and conditions attached to the Preferred shares of each series. The directors shall, before the issue of shares of the series, send, in the form that the Director fixes, articles of amendment to the Director to designate a series of shares.

2.3 **Preference over Junior Shares.** The Preferred shares of each series shall be entitled to preference over the Common shares with respect to the payment of dividends and the distribution of assets of the Corporation in the event of the liquidation, dissolution or winding-up of the Corporation or in the event of any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs: and the Preferred shares of each series may be given such other preferences not inconsistent with this section over the Common shares as may be determined in the case of each series authorized to be issued.

2.4 Parity with Preferred Shares. The Preferred shares of each series shall rank on a parity with the Preferred shares of every other series with respect to priority in the payment of dividends and in the distribution of assets of the Corporation in the event of any liquidation, dissolution or winding-up of the Corporation or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs.



Industry Canada

Canada Business Corporations Act / Loi canadienne sur les sociétés par actions

FORM 9 ARTICLES OF AMALGAMATION (SECTION 185)

FORMULAIRE 9 STATUTS DE FUSION (ARTICLE 185)

1 — Name of the Amalgamated Corporation / Denomination sociale de la société issue de la fusion

WESTERN FOREST PRODUCTS INC.

2 — The province or territory in Canada where the registered office is to be situated / La province ou le territoire au Canada où se situera le siège social

British Columbia

3 — The classes and any maximum number of shares that the corporation is authorized to issue / Catégories et tout nombre maximal d'actions que la société est autorisée à émettre

The Corporation is authorized to issue an unlimited number of Common shares, an unlimited number of Preferred shares, and an unlimited number of Non-voting shares, which shall have attached to them the rights, privileges, restrictions and conditions as set out in the attached Schedule "A".

4 — Restrictions, if any, on share transfers / Restrictions sur le transfert des actions, s'il y a lieu

So long as the Corporation is not a "distributing corporation" as defined in the Canada Business Corporations Regulations, the transfer of shares of the Corporation shall be restricted in that no shareholder shall be entitled to transfer any share or shares without the approval of the Directors of the Corporation expressed by a resolution passed at a meeting of the Board of Directors or by an instrument or instruments in writing signed by all of the Directors.

5 — Number (or minimum and maximum number) of directors / Nombre (ou nombre minimal et maximal) d'administrateurs

A minimum of one and a maximum of fifteen unless the Corporation is a "distributing corporation" in which case the minimum shall be three.

6 — Restrictions, if any, on business the corporation may carry on / Limites imposées à l'activité commerciale de la société, s'il y a lieu

None

7 — Other provisions, if any / Autres dispositions, s'il y a lieu

The Directors may appoint one or more Directors, who shall hold office for a term expiring not later than the close of the next annual meeting of shareholders, but the total number of Directors so appointed may not exceed one-third of the number of Directors elected at the previous annual meeting of shareholders.

8. — The amalgamation has been approved pursuant to that section or subsection of the Act which is indicated as follows: / 8. — La fusion a été approuvée en accord avec l'article ou le paragraphe de la Loi indiqué ci-après.

- 183, 184(1), 184(2) with checkboxes

Table with 6 columns: Name of the amalgamating corporations, Corporation No., Signature, Date, Title, Tel. No. Includes entries for Western Forest Products Inc. and Western Pulp Limited.

FOR DEPARTMENT USE ONLY — À L'USAGE DU MINISTÈRE SEULEMENT

**WESTERN FOREST PRODUCTS INC.
SCHEDULE "A"**

**PART 1
RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS
ATTACHED TO THE COMMON SHARES**

1.1 **Voting.** The holders of the Common shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation (other than a separate meeting of the holders of another class of shares) and shall have one vote for each Common share held.

1.2 **Dividends.** Subject to the rights of the holders of the Preferred shares and the Non-voting shares with respect to the payment of dividends, the holders of the Common shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the directors of the Corporation out of the monies of the Corporation properly available for the payment of dividends, dividends in such amount and in such form as the directors of the Corporation may from time to time determine.

1.3 **Dissolution.** Subject to the rights of the holders of the Preferred shares, in the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of Common shares shall be entitled to participate equally, share for share, at the same time, with the holders of the Non-voting shares in the distribution of the remaining property and assets of the Corporation.

**PART 2
RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS
ATTACHED TO THE PREFERRED SHARES**

2.1 **Non-voting.** Except as otherwise required by law or hereinafter provided, the holders of the Preferred shares shall not be entitled to receive notice of or to attend or to vote at any meeting of shareholders of the Corporation.

2.2 **Issuable in Series.** The Preferred shares may, at any time or from time to time, be issued in one or more series, and the directors may, by resolution, fix the number of Preferred shares in, and determine the designation, rights, privileges, restrictions and conditions attached to the Preferred shares of each series. The directors shall, before the issue of shares of the series, send, in the form that the Director fixes, articles of amendment to the Director to designate a series of shares.

2.3 **Preference over Junior Shares.** The Preferred shares of each series shall be entitled to preference over the Common shares and the Non-voting shares with respect to the payment of dividends and the distribution of assets of the Corporation in the event of the liquidation, dissolution or winding-up of the Corporation or in the event of any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs: and the Preferred shares of each series may be given such other preferences not inconsistent with this

section over the Common shares and the Non-voting shares as may be determined in the case of each series authorized to be issued.

2.4 **Parity with Preferred Shares.** The Preferred shares of each series shall rank on a parity with the Preferred shares of every other series with respect to priority in the payment of dividends and in the distribution of assets of the Corporation in the event of any liquidation, dissolution or winding-up of the Corporation or any other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs.

PART 3
RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS
ATTACHED TO THE NON-VOTING SHARES

3.1 **Voting.** At all meetings of shareholders of the Corporation, the holders of Non-voting shares shall not be entitled to any vote in respect of each Non-voting share with respect to the election of directors or otherwise, except that the holders of the Non-voting shares shall be entitled to one (1) vote in respect of each Non-voting share on any vote in respect of the liquidation, dissolution or winding-up of the Corporation, the sale, lease or exchange of all or substantially all of its property, any amendment that would add, change or remove attributes of the Non-voting shares or of any class of share adversely affecting the Non-voting shares either separately or in relation to the Common shares, and as otherwise provided by law.

3.2 **Dividends.** Subject to the rights of the holders of the Preferred shares and any other shares ranking senior to the Non-voting shares and the Common shares with respect to the payment of dividends, the holders of Non-voting shares shall be entitled to participate equally, share for share, at the same time, in any dividend, whether in cash, in shares of the Corporation or otherwise, which may be declared or paid on the Common shares, including, without limitation, with respect to the amount per share of the dividend.

3.3 **Dissolution.** Subject to the rights of the holders of the Preferred shares, in the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of Non-voting shares shall be entitled to participate equally, share for share, at the same time, with the holders of the Common shares in the distribution of the remaining property and assets of the Corporation.

3.4 **Take-Over Bids.**

1. For the purposes of this Section 3.4:

"Certificate of Non-Participation" means a certificate signed by or on behalf of a holder of Non-voting shares, confirming:

- (i) the number of Non-voting shares owned by the shareholder,

- (ii) the number of Non-voting shares that such shareholder does not intend to and shall not tender in acceptance of any Exclusionary Offer which has been made, including any varied form of such offer and accordingly, does not wish such specified number of Non-voting shares held by such shareholder to be converted to Common shares in accordance with paragraph 2; and
- (iii) that such election to not tender may only be revoked by giving the Transfer Agent and the Secretary of the Corporation written notice of such revocation at any time prior to 5:00 p.m. (Toronto time) on the business day immediately preceding the Expiry Date, at which time such number of Non-voting shares shall be deemed to be converted to Common shares in accordance with paragraph 2.

"Converted Shares" means Common shares resulting from the conversion of Non-voting shares into Common shares pursuant to paragraph 2;

"Exclusionary Offer" means an offer to purchase Common shares that:

- (i) must, pursuant to applicable securities legislation or the requirements of a stock exchange on which the Common shares are then listed, be made to all or substantially all of the holders of the Common shares in a province of Canada; and
- (ii) is not made concurrently with an offer to purchase Non-voting shares that is identical to the offer to purchase Common shares with respect to price per share, percentage of outstanding shares for which the offer is made (exclusive of shares owned by the Offeror immediately prior to the offer) and in all other material respects, provided that the offer to purchase Common shares may be subject to conditions that do not apply to the offer to purchase Non-voting shares and provided further that the offer to purchase Non-voting shares shall be unconditional except in respect of the right not to take up and pay for Non-voting shares tendered if no shares are purchased pursuant to the offer for the Common shares,

and for the purposes of this definition, if any offer to purchase Common shares would be an Exclusionary Offer except for the application of sub-clause (ii), the varying of any term of such offer shall be deemed to constitute the making of a new offer unless an identical variation concurrently is made to the corresponding offer to purchase Non-voting shares;

"Expiry Date" means the last date upon which holders of Common shares may accept an Exclusionary Offer,

"Joint Actor" means a person or company acting jointly or in concert with an Offeror, as the phrase "acting jointly or in concert" is defined in the Securities Act (Ontario);

"Offer Date" means the date on which an Exclusionary Offer is made;

"Offeror" means a person or company that makes an offer to purchase Common shares and includes any Joint Actor; and

"Transfer Agent" means the transfer agent of the Common shares.

2. Subject to paragraph 7, upon an Exclusionary Offer being made, each outstanding Non-voting share shall be converted and deemed to be converted into one Common share at 5:00 p.m. (Toronto time) on the business day immediately preceding the Expiry Date in order to allow the holders of Non-voting shares to deposit the Common shares received upon such conversion to the Exclusionary Offer. To effect such conversion, the Corporation in writing shall:

- (i) give notice to the Transfer Agent and to the holders of Non-voting shares of the conversion and of the number of Non-voting shares being converted; and
- (ii) give notice to the holders of the Non-voting shares that they may receive certificate(s) representing the Converted Shares upon delivery to the Transfer Agent of the share certificate(s) representing the Non-voting shares that have been converted;

and the Corporation shall pay any governmental or other tax imposed on or in respect of such conversion. Upon conversion and delivery of the certificate(s) representing the Non-voting shares as described above, a shareholder shall be issued a share certificate representing fully-paid and non-assessable Common shares so converted.

The Corporation shall make all arrangements with the Transfer Agent necessary or desirable to give effect to this paragraph 2.

3. If Converted Shares are subsequently withdrawn from an Exclusionary Offer, the holder of such shares shall be deemed to have irrevocably elected to convert the withdrawn shares into Non-voting shares, and the deemed election shall be effective from the time the shares are withdrawn. The holder of Converted Shares deposited pursuant to an Exclusionary Offer shall be deemed to have irrevocably elected to convert into Non-voting shares such shares as are not taken up pursuant to the offer and such deemed election to convert into Non-voting shares shall be effective from the time immediately following that prescribed by applicable securities legislation for the Offeror to take up and pay for such shares as are to be acquired pursuant to the Exclusionary Offer. If, however, Converted Shares are not taken up as a result of the abandonment or withdrawal of an Exclusionary Offer, or Converted Shares otherwise remain outstanding following the expiry of an Exclusionary Offer, the holder of such shares shall be deemed to have irrevocably elected to convert such shares into Non-voting shares effective from the time of the abandonment, withdrawal or expiry of the offer.

4. If Converted Shares are converted into Non-voting shares pursuant to paragraph 3, the Transfer Agent shall deliver to the holders entitled thereto share certificates representing the Non-voting shares resulting from the conversion. To give effect to this conversion, the Corporation in writing shall:

- (i) give notice to the Transfer Agent and to the holders of Converted Shares of the conversion and of the number of Converted Shares being converted; and
- (ii) give notice to the holders of the Converted Shares that they may receive certificate(s) representing Non-voting shares upon delivery to the Transfer Agent of the share certificate(s) representing the Converted Shares that have been converted.

and the Corporation shall pay any governmental or other tax imposed on or in respect of such conversion. Upon the Corporation giving notice pursuant to this paragraph 4, a holder of Converted Shares will have no further rights with respect to the Converted Shares except to receive Non-voting shares in accordance with such notice. Upon conversion and delivery of the certificate(s) representing the Converted Shares as described above, a shareholder shall be issued a share certificate representing fully-paid and non-assessable Non-voting shares so converted.

The Corporation shall make all arrangements with the Transfer Agent necessary or desirable to give effect to this paragraph 4.

5. As soon as reasonably possible after the seventh day following the Offer Date, the Corporation shall send to each holder of Non-voting shares a notice advising each such holder whether Non-voting shares shall be converted into Common shares and the reasons such conversion shall or shall not occur, as the case may be. If Non-voting shares shall subsequently be converted into Common shares, the Corporation shall forthwith send to the holders of the Non-voting shares a notice advising such holders that such conversion will occur and the reasons therefor, and the notice shall, in addition:

- (i) disclose the procedure to be followed to effect the conversion, together with a form of Certificate of Non-Participation;
- (ii) contain the information set out in paragraph 3; and
- (iii) be accompanied by a copy of the offer and all other material sent to holders of Common shares in respect of the offer.

As soon as reasonably possible after any additional material, including any notice of variation, is sent to the holders of Common shares in respect of the offer, the Corporation shall send a copy of such additional material to each holder of Non-voting shares.

6. Prior to or forthwith after sending any notice referred to in paragraph 5, the Corporation shall cause a press release to be issued to a Canadian national news-wire service, describing the contents of such notice.

7. Notwithstanding any other provision of this Section 3.4, the Corporation shall not convert any Non-voting shares, where the holders of such shares have delivered to the Corporation,

prior to the time the Non-voting shares are converted, a Certificate of Non-Participation that has not been revoked.

3.5 **Issuer Bids.** The Non-voting shares shall be treated identically by the Corporation in the event of an issuer bid by the Corporation in respect of the Common shares, as the term "issuer bid" is defined in the Securities Act (Ontario).

3.6 **Conversion of Non-Voting Shares into Common Shares.**

1. For the purposes of this Section 3.6:

"Certificate" means a certificate signed by the Chairman of the Board of Directors of the Corporation and addressed to the Transfer Agent stating that an independent committee of the Board of Directors of the Corporation has determined that converting the Non-voting shares into Common shares on a one-for-one basis, in whole or in part, would not have a material adverse effect on the business, financial condition or business prospects of the Corporation. The Board of Directors shall have the right to select the Non-voting shares to be converted on a pro rata basis, by lot or in such other manner as it considers appropriate.

"Event" means the delivery by the Corporation of a Certificate to the Transfer Agent,

"Transfer Agent" means the transfer agent of the Common shares.

2. As soon as reasonably possible after an Event has occurred, the Corporation shall send to each holder of Non-voting shares a notice advising the holder of the Event. Upon the giving of such notice, each outstanding Non-voting share to be converted shall be automatically converted into one Common share. Upon the holder of Non-voting shares delivering to the Transfer Agent the certificate(s) representing Non-voting shares to be converted, the Corporation shall issue to such holder a new certificate representing the Common shares into which the Non-voting shares were converted (together with a replacement certificate in respect of any Non-voting shares represented by a certificate that are not so converted). The Corporation shall make all arrangements with the Transfer Agent necessary or desirable to give effect to this paragraph.

3.7 **Rights Reserved.** In the event that the Common shares are sub-divided, consolidated, reclassified or otherwise changed, the rights, privileges and restrictions attaching to the Non-voting shares shall be amended at the same time so as to preserve the rights conferred hereby on the Non-voting shares in relation to the Common shares.

3.8 **Parity.** Except as otherwise set out herein under sections 3.1 to 3.7 inclusive, the Non-voting shares and the Common shares shall have the same rights, are equal in all respects and shall be treated as if they were shares of one class only.