

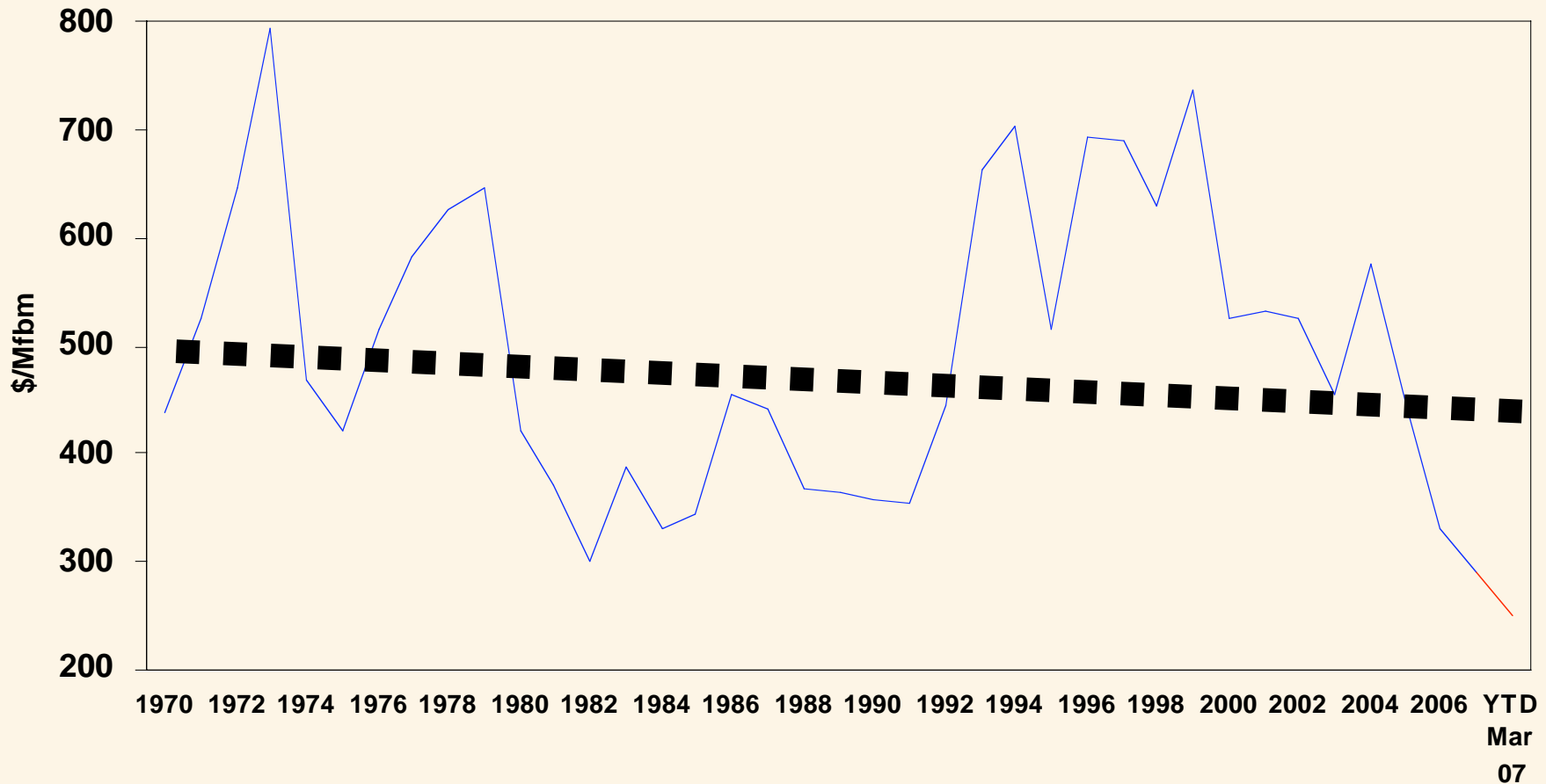


PriceWaterhouseCoopers' Global Forest and Paper Industry Conference May 10, 2007

**Presented by:
Hank Ketcham
Chairman of the Board, President and Chief Executive Officer
West Fraser Timber Co. Ltd.**

Inflation Adjusted Lumber Price

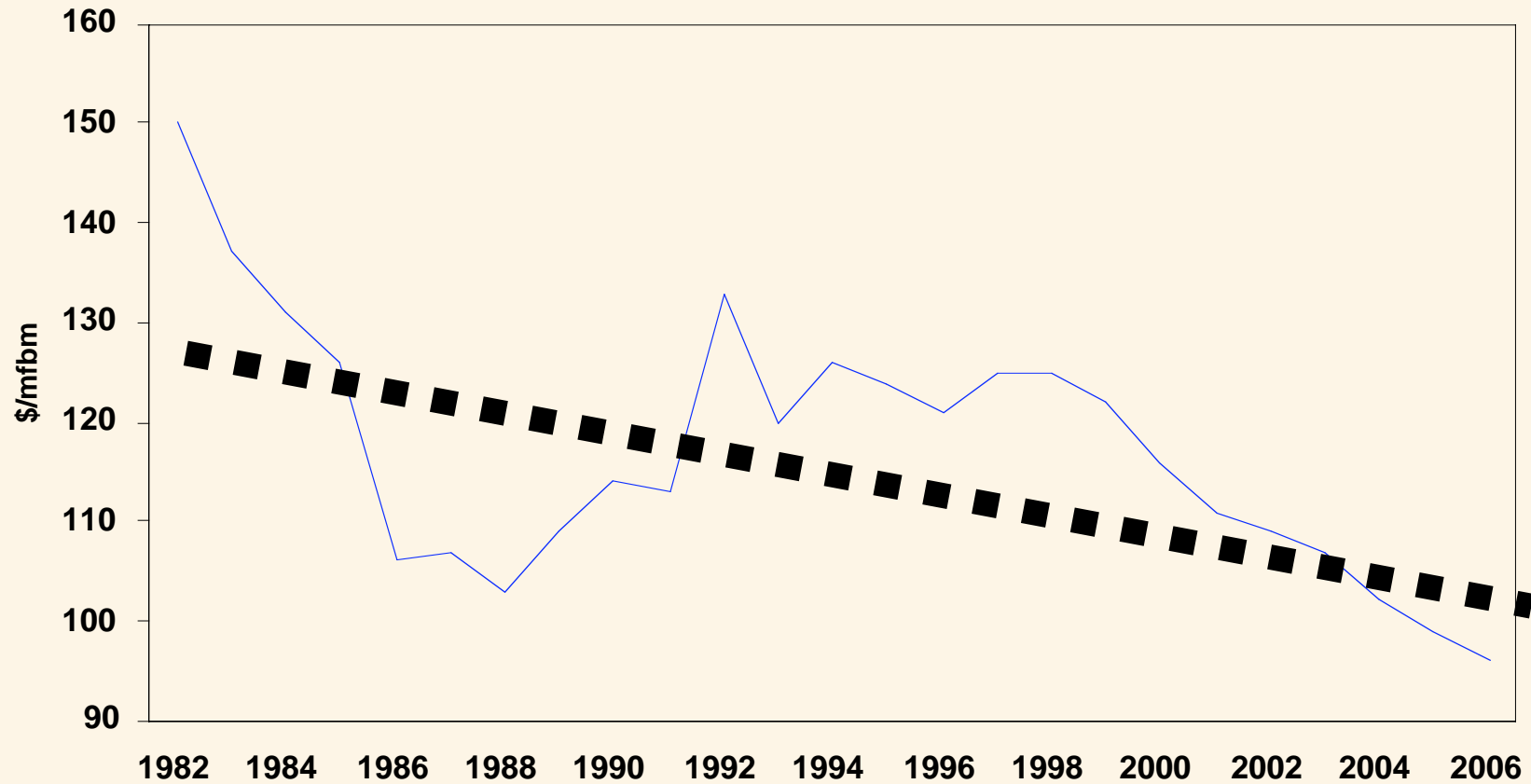
2006 Dollars - CDN \$ 2x4 Std&Btr



Source: RISI

BC Interior Variable Cash Manufacturing Costs

(no logs) 2006 Dollars



Source: RISI

Softwood Lumber Agreement



- **No subsidy or injury proven**

Softwood Lumber Agreement



- **No subsidy or injury proven**
- **Protection breeds inefficiency**

Softwood Lumber Agreement



- **No subsidy or injury proven**
- **Protection breeds inefficiency**
- **Efforts should be directed towards growing markets**

Mountain Pine Beetle



- **Stumpage to reflect value**

Mountain Pine Beetle



- **Stumpage to reflect value**
- **Declining cut in future**

Mountain Pine Beetle



- **Stumpage to reflect value**
- **Declining cut in future**
- **Industry needs to adapt through technology**

Mountain Pine Beetle



- **Stumpage to reflect value**
- **Declining cut in future**
- **Industry needs to adapt through technology**
- **Bio-Energy**

Sustainability



- **Continuous improvement**
 - Canadian forests best managed in the world

Sustainability



- **Continuous improvement**
 - Canadian forests best managed in the world
- **Wood is the most environmentally responsible building product**
 - Renewable and recyclable



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