

THE GLOBAL WOOD PRODUCTS INDUSTRY & MARKET CONFERENCE
Vancouver, BC • Tuesday, May 10, 2011 • Westin Bayshore Hotel**In conjunction with:**

- **May 11: PWC's 24th Annual Global Forest & Paper Industry Conference**
- **May 8-11: The Pulp and Paper Producers Council Annual Meeting**
- **May 12: The BC Bioenergy Network's Next Generation Biomass Application Conference**
- **May 8-12: The Global Forest Products Leadership Summit 2011**

The **Global Wood Products Industry/Market Conference** will be assessing the inter-connectiveness of the global supply chain dynamics & emerging market opportunities and constraints. This one-day conference in 2011 will focus on timely events and hot topics related to North America and key international markets and supplying regions. The conference will feature the following four sessions:

1. Global/North America: Timber and Economic Outlooks
2. North America: Product Segments
3. Asia: (featuring China)
4. Europe and Southern Hemisphere

Here at **International WOOD MARKETS Group**, we are very happy to introduce our featured speakers at our **Global Wood Products Industry & Market Conference**. In the following weeks leading up to our May 10, 2011 conference, we will be sending bi-weekly e-mails introducing our speakers and their topics. Two of our speakers will be featured in each conference preview including their biographies and presentation outlines.

SESSION 4: Europe & So. Hemisphere**TOPIC: Europe: Industry & Market/Export Trends**

Kurt Schrammel
Vice President, Marketing and Sales Overseas,
Stora Enso, Austria

Kurt Schrammel joined Stora Enso in 1996 and is currently the Vice President, Marketing and Sales Overseas. He has also held various positions within Stora Enso such as Managing Director & Sales Director in both Australia and the USA. Kurt holds a Master of Business Administration (MBA) from Danube University Krems.

Mr. Schrammel will address wood products supply and demand trends in the European market, including export market opportunities in the Middle East & North Africa and also China, Japan and Australia (did you know that Stora Enso is a leading lumber exporter to Australia from its European mills?)

He will also address:

- Key trends in leading European countries
- Some perspectives related to “exotic” markets, like India, Pakistan, etc.
- A focus on how Europe has been dealing with the recent downturn and especially how the short to medium term is playing out in terms of supply and demand
- Perspectives on roundwood/log market developments, including Russian exports and the export tax.

SESSION 1: Global Dynamics

TOPIC: Super-Cycle Coming in Lumber!



Daryl Swetlishoff, CFA
Senior Managing Director, Head of Research
Raymond James Ltd., Canada

Daryl Swetlishoff was named Head of Research of Raymond James Ltd. in May 2007. Based in Vancouver, he is responsible for a group of 40 research and operations professionals, providing research coverage on over 200 companies across seven sectors. Daryl is also a ranked analyst covering Paper & Forest sector equities since joining the firm in 2001. Daryl holds the Chartered Financial Analyst designation, and earned an MA (Economics) from the University of Victoria.

Mr. Swetlishoff will help lead off the conference by introducing the concept of “peak lumber” and the “lumber super-cycle”, as originally published by Raymond James. As part of his session, Mr. Swetlishoff will address some of the following topics:

- The RJ lumber supply demand model which shows some really good news!
- Discussion of the implications of \$500/Mbf “peak lumber” prices on publicly traded lumber company earnings (CFP, WFT, IFP.A, TWF.UN) and the valuation implications for share prices.
- Some perspectives of investors in forest product companies.

SESSION 3: Asia

TOPIC: Japan, Korea, Taiwan: Implications & Outlook



Tony Ojiro
International Sales Manager
SC Holzindustrie Schweighofer SRL

Tony Ojiro is a native of Vancouver, British Columbia. He is currently residing in Vienna, Austria and is employed by one of Europe's most creative companies, Holzindustrie Schweighofer, and is the International Sales manager for the Far East and North America. Previously he was Chief Representative of Kaufmann Pacific's Tokyo trading office for 7 years conducting marketing and sales of Canadian and European lumber into Japan and other Asian countries.

Tony will be speaking on the following topics:

- Overview of Schweighofer's operations and the June 16, *Schweighofer Prize*
- Japan Market
 - Trends in housing starts, imports, demographics, housing sales, population.
 - Impact and outlook for domestic and imported lumber.
 - The rebuilding in Japan after the tsunami – some perspectives.
- Taiwan Market
 - Overview of import trends and consumption
 - Changes in relation to the growing market in China
- Korea
 - Overview and general market dynamics
- Other Market Perspectives on the Middle East and North Africa in relation to European suppliers

SESSION 3: Asia

TOPIC: China: Imports & Impact from Russia



Gerry Van Leeuwen, B.Com.
Vice President,
International WOOD MARKETS Group Inc.

Gerry Van Leeuwen joined the WOOD MARKETS Group as a senior wood products consultant in February, 1999. Gerry spent the previous 25 years working in the wood products manufacturing industry, including more than ten years as a General Manager responsible for a group of three sawmills and a remanufacturing plant with Interfor.

During his many years in the wood products industry, Gerry has travelled to all major softwood lumber producing and consuming countries/regions in the world. During the last seven or eight years,

Gerry has made an average of at least two or three trips per year to China and to Russia.

Mr. Van Leeuwen will provide a review of Eastern Russia log and lumber exports to China. The presentation will include a look at Russian forest industry policies and the impact of the log export tax and the proposed changes to the tax to allow Russia to enter the WTO.

Gerry will also touch on the following topics and questions:

- An update of the impact of the Russian log export tax on log and lumber importers in Northern China. How has the wood manufacturing industry in Northern China adapted to higher Russian log costs?
- Why do Chinese log importers pay the highest softwood log prices in the world, while lumber importers prefer to buy mainly low priced softwood lumber imports?
- The advantages of Russian softwood log species and quality compared to North American and New Zealand log species and sorts.
- An assessment of Chinese end-uses for lumber produced from North American and New Zealand logs compared to Russian logs and a perspective on why the Chinese are out bidding these regions for logs.
- Chinese investment trends in the wood products industry in Northern China and Eastern Russia.
- Why China needs Russian logs and lumber imports and why the expected growth trend may be relatively small in the short term.

SESSION 2: North America

TOPIC: OSB & Plywood: No. America Trends, V-A, & Outlook



Rick Huff
President & CEO
Ainsworth

Rick Huff became President and Chief Executive Officer of Ainsworth in January of 2009 and is a member of the Board of Directors. Prior to joining Ainsworth, he served as the CEO of the Sinclar Group, a privately owned diversified forest products group in British Columbia. Mr. Huff also served as Vice President, OSB & Energy at Tolko Industries Ltd. for seven years. He has held senior positions in resource-based companies in Canada, Australia and New Zealand. Mr. Huff holds Bachelor of Arts (Hons.) degree in Economics from the University of Western Ontario and a Masters in Economics degree from Queens University.

Ainsworth operates some of Canada's most modern and technologically advanced OSB mills in the industry at its manufacturing facilities in British Columbia, Alberta and Ontario. Based on Ainsworth's leading reputation for the highest quality in OSB and engineered wood products, Mr. Huff will be speaking on some of the following topics:

- Overview of North American plywood and OSB trends
- Supply and demand trends of OSB, including operating rates
- Commodity vs. niche OSB products, including a number of specialty and value-added products being produced and marketed by Ainsworth
- Opportunities in export markets for OSB, including Japan and China
- Outlook, constraints and opportunities for OSB.

SESSION 4: Europe & So. Hemisphere

TOPIC: So. Hemisphere Plantation Pine: Export Trends



Peter Butzelaar
Vice President,
International WOOD MARKETS Group Inc.

As a marketing consultant with International WOOD MARKETS Group for the last eighteen years, Mr. Butzelaar has assisted associations, governments, and industry clients with their business planning, product and market development, and global marketing strategies. In the area of market assessment, Mr. Butzelaar has conducted extensive work investigating the value-added opportunities for both lumber, panel and millwork products. Mr. Butzelaar travels extensively throughout the North American market, as well as supplying regions in Latin America, Oceania, and Asia.

Mr. Butzelaar will address trends in the Southern Hemisphere timber supply and the export trends for lumber, panels and millwork products, including:

- Timber harvest trends in the leading Southern Hemisphere plantation forest producing countries of Chile, Brazil, New Zealand and Australia.
- Opportunities and challenges in exporting logs vs. wood products in New Zealand (and the fit of key export markets such as China, Korea and India).
- Australia's potential as a hardwood exporter of logs and chips but net importer of softwood lumber and panel products
- What is the future of Chile and Brazil's exports to the US given the competing demand for fibre in China, South East Asia, the Middle East, and Europe?
- Highlights of trends in the U.S. moulding market for imported plantation pine.

SESSION 1: Global Dynamics

TOPIC: Global Timberland Ownership: Supply/Demand Trends



Dennis Neilson
Managing Director
DANA, New Zealand

Dennis Neilson is a Director of the New Zealand based international forest industry consulting and publishing company DANA Limited. After a 20 year career with Fletcher Challenge (which at one time owned major forest products assets in Canada; as well as in New Zealand, Australia, Chile, Brazil, Malaysia and the UK) Dennis has for the last 20 years focused on global trends in woodfibre and solid wood supply and demand, and especially timberland ownership trends, both in consulting and in publishing. Dennis has authored/co authored the 2007 RISI- published “*Global Tree Farm and Managed*

Forest Industry Review”; the 2010 DANA- published “*International Timberlands Ownership and Investment Review*” (published annually); and the 2011 RISI- published “*International Pulpwood Resource and Trade Review*” (published annually).

Mr. Neilson will be speaking on some of the following topics:

- Almost all of North American industrial timberland ownership has passed from forest products companies to financial institutions / Timberland Real Estate Investment Trusts (T-REITs). This has had a profound effect on supply chain management and the control of log flows to wood processing companies.
- This trend has also occurred in New Zealand and increasingly in Australia, but not yet in Chile or Brazil in Latin America.
- Land price increases are pushing up the costs of growing plantation timber, especially in Latin America.
- Institutional timberland investors are reluctant to invest in “slow growing” softwood plantations (more than 15-20 years). Will this lead to a tightening softwood log supply?
- Exploding demand in China for all grades of logs is seriously affecting the profitability of domestic sawmills in the North American Pacific Northwest and in New Zealand. Is this just “*a flash in the pan*” or will it turn out to be a major game changer in the next five years?
- Log/lumber import demand in India has been hampered by congested ports and poor infrastructure. But will a new port complex being developed (which will be the second largest port in the world with >150 berths) change all that? In 2011 log imports into India from New Zealand will likely be 100% more than in 2010 – what volume by 2015?
- Increasingly the global wood processing industry is being divided into the **haves** (with security of log supply) and the **have nots** (hoping that they can afford the next best log market price alternative). This has not really happened before – where to from here?

SESSION 3: Asia

TOPIC: China: Wood Industry & Market Trends



Jim Jia
President,
L.J. Resources Co., Canada & China

Jim Jia is the President of LJ Resources Co. Ltd., a wood trading company specializing in trading forest products primarily from Canada to China.

L J and Affiliates have also invested in a new Canadian sawmilling and bioenergy company, Conifex Timber Inc., where Jim is a director. (Conifex is listed on TSX-V, symbol CFF).

Prior to starting LJ in 2009, Jim worked at Canfor Wood Products Marketing for 7 years where he pioneered SPF lumber development in China, along with the rest of Canfor's offshore lumber team.

Mr. Jia will address the following:

- 1) China macro points, including
 - How the Chinese middleclass is expanding (and the increase to 2020), increasing demand
- 2) Supply Regions: Canada, including:
 - What is Canada supplying and for what sectors?
 - How the Chinese market has quickly evolved to accept North American dimension lumber (grades, sizes, lengths, volume, price, etc.)
 - Concrete form lumber – why hem-fir is more favourable than SPF or NZ radiatia as well as domestic species.
 - Comments about the “Program Club” in China
- 3) Competition: Russia, NZ, USA, Domestic, including:
 - What are they supplying and how does it compare with Canadian fibre?
 - How the Chinese use imported (and domestic) lumber in the end use segments
 - Why Russian lumber quality and prices are both higher than SPF
- 4) Trends to Watch, including:
 - How Chinese demand for lumber is tied to housing (including concrete form) with 350 million people moving from rural areas to cities.
 - Views on wood roof systems and wood-frame housing in China and how it will take off.

SESSION 2: North America

TOPIC: Wood Pellets & Residuals: Trends & Outlook



Wayne Young
President
Pacific BioEnergy Corporation
Vancouver, BC

Wayne Young became involved with Pacific BioEnergy in 2004 while representing a major shareholder and took on the position of President in 2006. Wayne brings more than 20 years of senior management experience to Pacific BioEnergy, gained from finance, sales and general management roles in consumer goods and merchant investing organizations. He holds BA and MAcc degrees from the University of Waterloo and is a Chartered Accountant.

Wayne will discuss the global wood pellet trade, including:

- An overview of wood pellet fuel advantages relative to other renewable energy options;
- Future demand projections and trends by market segment;
- Policy decisions impacting specific market segment growth;
- The relative attributes of British Columbia as a wood pellet supply region; and
- The impact of emerging product improvement technologies.

SESSION 2: North America

TOPIC: Lumber: North America Supply/Demand Outlook



Russell E. Taylor, RPF, MBA
President,
International WOOD MARKETS Group Inc.,
Vancouver, BC, Canada

Aside from being involved as one of the organizers of this Global Conference, Mr. Taylor conducts wood products market analysis and business assessment/investment projects for numerous global industry clients and across North America. As a global wood products consultant, Mr. Taylor travels extensively throughout the world and conducts investigations, research and analysis to provide industry and market intelligence and outlooks to companies throughout North America and in many dynamic global regions, including Russia, China, Asia, and throughout the Southern Hemisphere and Europe. To further assist its clients, *WOOD MARKETS* has maintained an office in China since 2005.

Mr. Taylor has published over 300 articles and reports and had

conducted over 200 presentations and leads *International WOOD MARKETS Group* in its various strategic market intelligence reports and forecasts for the wood products industry, including ***WOOD Markets Monthly International Report***. In 2011, WOOD MARKETS released ***WOOD MARKETS 2011***, its five-year outlook on the North American wood products industry and markets and will also release the 2011 Edition of its ***Global Timber, Sawmill & Lumber Cost Benchmarking Report*** covering 29 countries or regions.

Mr. Taylor has a forestry degree (BScF) and an MBA from the University of B.C. (Vancouver) and is also a registered professional forester (RPF).

Topics covered include:

- Economic and housing outlook and when US housing starts break out
- Key drivers, including the mountain pine beetle in BC, Quebec timber harvest reductions, TIMOs in the USA and others.
- Lumber consumption and import trends in the US and Canada
- Lumber production trends by major region
- Lumber exports, with a focus on China and Japan
- Lumber operating rates and correlations
- Lumber price trends and when the super-cycle starts!

SESSION 2: North America

PANEL SESSION A: North America Wood Products

1. Thomas Black

**Senior Sourcing Manager - Risk Management and Trading Team
Stock Building Supply,
Raleigh NC USA**

As part of North America's third largest Pro Dealer chain, Mr. Black has a key role in sourcing wood products from suppliers in the U.S., Canada and offshore. He has been with Stock Building Supply for four years and has five years total in the industry. Prior to joining Stock, he played professional golf (1999 – 2006 in various mini-tours).

Mr. Black studied Political Science at James Madison University in Virginia 1994 – 1997 and studied Business / Supply Chain at North Carolina State University 2007 – 2009. He is also a member of the Stock Building Supply Extended Leadership Team.

Mr. Black will focus on the role that both increased exports and Futures Market have had and will play in the near-term. He will also touch on the impact of tight inventory management in today's world driven by the need for cash, and the slippery slope that this puts Pro Dealers on when selling production builders.

2. *Craig Johnston*
President & CEO
Forest City Trading Group, LLC
Portland, OR USA

Mr. Johnston joined American International Forest Products, Inc. (AIFP), as a subsidiary of Forest City Trading Group, Inc. (FCTG), in 1981 after graduating with a Business Administration Degree from the University of Oregon. He was a top trader at AIFP and FCTG, specializing in Western Canadian Lumber. In 1995 he was named Vice President and General Manager and was in that position until 1999, when he became its President. In 2004 he helped lead an employee buyout of Forest City Trading Group, Inc., from their parent company, Forest City Enterprises. In 2006 he became the President and CEO of Forest City Trading Group, LLC, and in 2008 he became Chairman of the Board of FCTG Holdings, Inc.

Mr. Johnson will address his perspectives in the supply chain from the perspective of one of North America's largest wholesaler of lumber and building materials.

3. *Rick Collins*
President & COO, Operations & Sales
EACOM Timber Corporation
Montreal, PQ Canada

Rick Collins began as Chief Operating Officer and a Director of EACOM in August 2008. From 1997 to 2007 Mr. Collins was owner and operator of XL Company, a forest products Export/Import trading company based in Portland Oregon. The company exported lumber to the Middle East, Europe, Asia and Japan, and imported from Sweden, Germany and Austria for the distribution in the North American market. Also imported & exported was finished industrial millwork from South America & New Zealand for distribution in both Asia and North America. He has been involved in the forest products industry for over 28 years.

Mr. Collins will provide some perspectives from an Eastern Canadian lumber perspective that will include the issue of extra duties on lumber shipments to the US from Canada as well as the role of export markets.

4. Paul Jannke
Economist
Forest Economic Advisors LLC
Westford, MA USA

Paul Jannke is a Principal of Forest Economic Advisors LLC, the premier source for North American wood products analysis and information. Paul's main role at FEA is analyzing the North American lumber markets. With 16 years' experience studying lumber markets and providing reliable, insightful forecasts, Paul has become the industry's top economic analyst.

Mr. Jannke is the author of FEA's monthly *Lumber Advisor* and *Lumber Quarterly Forecasting Service* publications. In addition, Paul has also co-authored numerous studies on the international lumber, timber, bioenergy, and panel industries and presented at many international conferences on the markets for lumber, engineered wood products and structural panels and he is recognized as a leading expert in these areas.

Mr. Jannke will provide his perspective on the U.S. housing market and key drivers that impact the demand for wood products.

SESSION 4: Europe & Southern Hemisphere
PANEL SESSION B: International Wood Products/Markets

1. John Langley
General Manager, Export Sales
Tolko Marketing & Sales Ltd.
Vernon, BC Canada

With over 30 years sourcing and marketing lumber and panel products from Canada, Europe and the Western U.S. to global markets, Mr. Langley has an extensive background in wood products production, marketing, distribution and supply chain management. He has been marketing Canadian logs, lumber and panel products to China since 1982.

Mr. Langley holds a Bachelor of Science (Forestry) from University of British Columbia and is a member to the FII China Board. Tolko is a leading marketer of Canadian softwood lumber to the Chinese market and serves wood products customers in more than 30 countries worldwide.

Mr. Langley will provide some perspectives on the topic of China's "ghost cities" and whether they are a sign that the China real estate bubble is about to burst and how Government measures to curb real estate inflation are likely to affect lumber consumption over the next 12-24 months.

2. Rodrigo Valiente

**Commercial Vice President of CMPC Maderas
The Wood Industrial Division of the CMPC Group
Santiago, Chile**

Mr. Valiente leads a team that handles Sales and International Logistics of Radiata-based Lumber, Millwork and Plywood in 35 countries, representing a total of US\$ 350 million in annual sales. CMPC Maderas portfolio covers 75% in foreign markets, being USA, EEC, Japan, Arabian Gulf and China its main markets. The Chilean market accounts 25% of sales.

Mr. Valiente is also the Executive Director of CMPC USA, an Atlanta, Georgia company that sells products in USA and Canada from CMPC Maderas, Bosques Del Plata (Argentina), Forsac and CMPC Cartulinas.

Mr. Valiente, joined CMPC in 1992, and has held this position since 2000. Before that, he manages sales in Europe, Middle East and USA, together with managing shipping and logistics. Mr. Valiente has an Industrial Civil Engineer degree from Universidad Catolica de Chile (Catholic University of Chile).

Mr. Valiente will provide some global perspectives and discuss the topic of “Playing with the Crystal Ball”.

3. Richard Kelertas

**Forest Products Analyst
Dundee Capital Markets / Dundee Securities Ltd.
Montreal, PQ Canada**

Mr. Kelertas has 25 years experience as a research analyst covering the Forest Products sector. He has consistently been one of the top ranked analysts in the sector over the years and was most recently ranked No.1 by Brendan Woods. Mr. Kelertas has worked for a number of well-known brokerage firms including Scotia McLeod, Deutsche Morgan Grenfell, UBS Warburg, and Desjardins Securities. He has a Bachelor of Forestry and a Masters of Forestry and Economics from the University of Toronto. Richard is also a Registered Professional Forester.

Mr. Kelertas will review what impact (on supply and pricing) domestic timber producers like Sino Forest \ Cathay Forest \ China Forest Holdings will have in China over the short\ medium and longer term.

4. Robert (Bob) Flynn
Director, International Timber
RISI
Tacoma, WA USA

Mr Flynn has more than 30 years experience in the forest industry, including 9 years as a forester for Champion International in Oregon. He has spent the past 20+ years as a consultant to the industry, with a focus on analysis of timber supply and demand trends outside of North America; international trade of logs, woodchips, and biomass; and trends in international timberland investment.

He joined RISI in April 2006, and has published three reports on China's timber supply and demand; a global comparison of planted forest economics and investment attractiveness for tree farm development; a profile of India's forest products industry; an analysis of the impact of Russia's log export tax on Asian log markets; annual reports on international trade in woodchips and biomass; and a report on South American plantation forestry and bioenergy markets. He holds a BA degree in geography from the University of Texas, a BS degree in forest management from Northern Arizona University and an MS in economics from the University of Oregon.

Mr. Flynn will assess some of the global log and chip trade flows that have been on the upswing for the last few years.

LUNCH SPEAKER:

David H. Cohen, Professor
Faculty of Forestry
The University of British Columbia

David returned to school at age 37 after working for the forest industry in the Interior of BC for over a decade. He completed a Bachelors and PhD in the US focusing on the business of wood products production and trade. Since 1989 he has been at UBC with much of his research focused on Japan and China. For the past decade, his focus has shifted to sustainability and globalization teaching both in the Faculty of Forestry and the Sauder School of Business. He has acted as a consultant to many companies and government organizations in North America, New Zealand, China, Japan, and Europe.

Recently he has moved to a nine month appointment at UBC so he can spend more time as his 16 year old son's soccer chauffeur.

Dr. Cohen will discuss green marketing, a topic that had taken a backseat but is now being looked at again despite much greenwashing activities. Dave will present some views on why it is becoming a market access (or supply chain access) issue and how it could be linked with certification activities.

The conference will feature an excellent assortment of North American and global speakers that will be addressing four sessions:

Session 1: Global/North America: Timber and Economic Outlooks

Session 2: North America: Product Segments

Session 3: Asia: (featuring China)

Session 4: Europe and Southern Hemisphere

If you have any questions, please feel free to contact our office at (604) 801-5996. For a full conference brochure and further conference and hotel information, please visit: http://www.woodmarkets.com/conf_conferences.html