

## **PURPOSE & SCOPE**

The intent of this Corporate Disclosure Policy (the “Policy”) is to ensure that all communications to the public by Interfor are:

- Timely, complete and accurate; and
- Broadly disseminated in accordance with all applicable Canadian legal and regulatory requirements.

The primary targets of this information are current and potential Shareholders, the financial community, the media, government, the public and employees.

This Policy extends to all employees, Officers and consultants of the Company, the Board of Directors and others who are authorized or designated to speak on its behalf. References to the “Company” include Interfor and all of its subsidiaries.

This Policy applies to all:

- Documents filed with the securities regulators, government agencies or stock exchanges, including the Company's annual and quarterly reports, news releases, letters to Shareholders, presentations by senior management and information contained on the Company's web site and other electronic communications;
- Oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls;
- Other documents and oral statements which would reasonably be expected to affect the market price of the Company's stock.

## **BACKGROUND**

As a public company, listed on the Toronto Stock Exchange, the Company is subject to numerous securities laws, policies and guidelines designed to ensure that the public receives equal treatment in their access to material information. The Toronto Stock Exchange's policies on Timely Disclosure and Electronic Communications, the Canadian Securities Administrators' policies on Disclosure Standards (NP 51-201) and Corporate Governance Guidelines (58-201), and the provisions in the Ontario Securities Act providing for civil liability in connection with secondary market disclosure, all reinforce and emphasize the Company's legal obligation to disclose material changes in a timely and effective manner.

## **MEANING OF “MATERIAL”**

As this Policy is intended to address the use and dissemination of “material” information, which include both “material facts” and “material changes”, it is important to first understand the meaning of “material”. Under Canadian securities laws, material information is information relating to the Company or its subsidiaries that:

- significantly affects the market price or value of the Company's shares; or
- would reasonably be expected to have a significant effect on the market price or value of the Company's shares.

For example, financial information that is considered “material” can include: a significant increase or decrease in near-term earnings prospects; unexpected significant changes in the financial results for any periods; significant shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write downs; changes in the value or composition of the Company’s assets and any material change in the Company’s accounting policy.

Examples of potentially material non-financial information include: credit arrangements, negotiations concerning contracts with outside parties (e.g., joint ventures); possible dispositions or acquisitions of significant assets, properties or other corporations or businesses; important corporate developments; financings; important personnel changes; litigation and labour negotiations.

Whether particular information is material is a question of judgment. While it is important to assess each situation as objectively as possible, one should not rely on one’s own judgment. If you need to know whether particular information would be considered “material”, you should consult with the Corporate Secretary, who in turn can deal with legal counsel if necessary.

## **POLICY**

### **General Disclosure Principles**

The Company will adhere to the following basic disclosure principles:

1. Only persons who have been designated by the Company may (i) publicly disclose material information relating to the Company or (ii) respond to inquiries from the investment community, see "Roles and Responsibilities" below.
2. Material information will be publicly disclosed immediately via news release.
3. Disclosure must include all material information, including any information the omission of which would make the rest of the disclosure misleading (half truths are misleading).
4. Unfavorable material information must be disclosed as promptly and completely as favorable information.
5. Omissions, misrepresentations and errors in public disclosure must be immediately and publicly corrected if it is determined that earlier disclosure by the Company contained a material omission, misrepresentation or error at the time it was given.
6. Disclosure should be consistent among all audiences, including the investment community, the media, customers and employees.
7. In certain circumstances, the President and Chief Executive Officer (“CEO”) may determine that such disclosure would be unduly detrimental to the Company (for example if release of the information would prejudice negotiations in a corporate transaction), in which case the information will be kept confidential until the CEO determines it is appropriate to publicly disclose. In such circumstances, the CEO may cause a confidential material change report to be filed with the applicable securities regulators, and will periodically (at least every 10 days) review its decision to keep the information confidential. (also see “Rumours” below)

8. No selective disclosure is permitted. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an interview with an analyst or in a telephone conversation with an investor). If previously undisclosed material information has been inadvertently disclosed to an analyst or any other person not bound by an express confidentiality obligation, such information must be broadly disclosed immediately via news release.

### **Maintaining Confidentiality**

- Any Director, Officer or Employee privy to confidential information is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to such confidential information to only those who need to know the information and such persons will be advised that the information is to be kept confidential.
- In order to prevent the misuse or inadvertent disclosure of material information, the procedures set forth below must be observed by all Directors, Officers or Employees at all times:
  1. Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who "need to know" that information in the necessary course of business and code names should be used if necessary.
  2. Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
  3. Confidential matters should not be discussed on wireless telephones or other wireless devices.
  4. Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.
  5. Confidentiality of information must be maintained outside the office as well as inside the office.
  6. Transmission of documents by electronic means, such as by fax or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
  7. Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.
  8. Access to confidential electronic data should be restricted through the use of passwords.

- Outside parties privy to undisclosed material information concerning the Company will be told that they must not divulge such information to anyone else, other than in the necessary course of business and that they may not trade in the Company's shares until the information is publicly disclosed. Where appropriate, such outside parties will confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

### **Insider Trading Restrictions**

- It is illegal for insiders to purchase or sell shares of that public company with knowledge of material information affecting that company that has not been publicly disclosed. Except in the necessary course of business it is also illegal for insiders to inform any other person of material non-public information.
- Insiders and employees with knowledge of confidential or material information about the Company, any counter-parties in negotiations of material potential transactions and other parties in possession of undisclosed material information, are prohibited from trading shares in the Company or any such counter-party until information has been fully disclosed and a reasonable period of time has passed for the information to be widely disseminated to the public.
- The Company's policy governing insider trading and trading blackout periods continues to apply, and is reaffirmed and incorporated by reference into this Policy.

### **Quiet Periods**

- The Company will observe "quiet periods" from the end of each Quarter until the quarterly earnings announcement, during which time the Company will not provide any earnings guidance or comments with respect to the current Quarter's operations or expected results.
- If a response is made to an inquiry by an analyst, investor or other market professional, the designated spokesperson will respond using only publicly available or non-material information.

### **News Releases and Conference Calls**

- Once the CEO determines that a development is material and must be disclosed, he will authorize the issuance of a news release.
- In the case of news releases or other disclosure containing financial information, financial outlooks or future-oriented financial information, the Board of Directors or Audit Committee will review and authorize the issuance of such news release or other disclosure.
- News releases are normally issued after market closing. If the CEO deems it necessary to issue a news release before market closing, market surveillance will be contacted to determine whether trading should be halted while the news release is being disseminated.
- Annual and interim financial results will be publicly released promptly following Board of Directors approval of the financial statements.

- News releases will be disseminated through a news wire service that provides national distribution and concurrently filed on SEDAR.
- News releases relating to material information will include the date and time of any conference call, the subject matter of the call and the means of accessing it.
- Conference calls in respect of material information will be simultaneously accessible by all interested parties.
- Dial-in, web replay or transcripts of the calls will be made available for at least 30 days after the call.
- If during the conference call there is inadvertent selective disclosure of previously undisclosed information, a press release containing the information that was selectively disclosed will be immediately disseminated.

### **Contact with Analysts, Investors and the Media**

- The Company will provide reasonable opportunities for executive interviews and operational tours upon the request of Shareholders, potential Shareholders and brokerage house analysts.
- Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered to be material non-public information. If the Company intends to announce material information at such meetings, the announcement must be preceded by a news release.
- Where appropriate, a written script should be prepared prior to each meeting, conference call or conference and reviewed by the CEO and the Disclosure Committee.
- If selective disclosure has occurred during a meeting or conference, a press release containing the information that was selectively disclosed will be immediately disseminated.
- All significant feedback from Shareholders must be brought to the Board of Director's attention.

### **Analysts' Reports**

- The Company must refrain from commenting on analysts' financial forecasts, unless the forecast contains significant factual errors or omissions, which could lead to false expectations in the financial markets.
- Where such factual errors are contained in analysts' reports, the Company may correct such errors only by referencing publicly available information.

- Analyst reports are proprietary products of the analysts' firm. Re-circulating a report by an analyst may be viewed as an endorsement by the Company of the report. For these reasons, the Company will not normally provide analyst reports through any means to persons outside of the Company or generally to employees of the Company including posting such information on its web site. Notwithstanding the foregoing, the Company may distribute analysts' reports to its Directors, Officers and advisors in the ordinary course of business.
- The Company may post on its web site a complete list, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on the Company. If provided, such list will not include links to the analysts' or any other third party web sites or publications.

### **Forward Looking Information**

Should the Company elect to disclose forward-looking information in continuous disclosure documents, speeches, conference calls, etc., the following guidelines must be observed:

- In all written disclosures that contain forward-looking information, the Company must provide reasonable cautionary language:
  1. Identifying the forward-looking information;
  2. Identifying all material factors or assumptions used in the preparation of the forward-looking information; and
  3. Identifying, in very specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected in the written disclosure and caution readers that actual results may vary.

This cautionary language must be contained in a location that is proximate to the forward-looking information contained within the written disclosure.

- All public oral statements that contain forward-looking information must include a cautionary statement that the oral statement contains forward-looking information and the person making the oral statement must state that:
  1. The actual results could differ materially from the forward-looking information;
  2. Certain material factors or assumptions were applied in drawing a conclusion or making the forecast or projection reflected in the forward-looking information;
  3. The material factors or assumptions that were applied in the forward- looking information are contained in a readily available document; and
  4. The person making the oral statement must identify the name and date of the document referred to in paragraph (3) above and such document must have been filed on SEDAR.

- All forward-looking information will be accompanied by a statement that disclaims the Company's intention or obligation to update or revise the forward-looking information, whether as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially inaccurate, the Company may choose to issue a news release explaining the reasons for the difference. In this case, the Company will update its guidance on the anticipated impact on revenue and earnings (or other key metrics).

### **Rumours**

- The Company will consistently apply its "no comment" policy with respect to market rumours or speculation unless the CEO deems it necessary to respond.
- Should the Toronto Stock Exchange request that the Company make a definitive statement in response to a rumour that is causing significant volatility in the shares, the CEO will consider the matter and decide whether to make a policy exception and issue a news release.

### **Electronic Information**

- All material information contained on the Company website must be previously publicly disclosed through other means which satisfy the legal requirements regarding public disclosure.
- All material information filed on SEDAR should be made available on the Company's website.
- Any responses by designated spokespersons to e-mail inquiries received via the Company's website must comply with this Policy.
- Investor relations material will be contained within a separate section of the Company's website and will include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures. All data posted to the investor section of the Company's web site, including text and audio-visual material, will show the date such material was posted, any material changes in information must be updated immediately.
- All Directors, Officers and Employees are prohibited from participating in chat rooms or on bulletin board discussions on matters relating to the Company or its securities.
- The Company will archive non-current disclosure and will establish appropriate retention periods for disclosure documents on its website.
- No links to third party websites will be available on the Company website without the prior approval of the Disclosure Committee.

**ROLES AND RESPONSIBILITIES**

1. The **Board of Directors**, through its **Corporate Governance and Nominating Committee**, is responsible for:
  - ensuring that the Company has in place a policy for communicating effectively with its Shareholders, other stakeholders and the public generally, and
  - reviewing that policy on an annual basis.
2. The **CEO** is responsible for ensuring that responsibilities for communications have **been appropriately** delegated and that for each particular issue, one person has been designated to speak on behalf of the Company. In general:
  - The **CEO**, or any other individuals as designated by the CEO, is responsible for day-to-day contact with securities analysts and Shareholders;
  - The **Executive Vice President and Chief Financial Officer (“CFO”)** is responsible for:
    - i. day-to-day contact with the banking community and credit rating agencies;
    - ii. coordinating the dissemination of material information, including the Annual Information Form, the Annual Information Circular, prospectuses, news releases and presentations to the financial community and media;
    - iii. continuing education of employees on matters related to this Policy; and
    - iv. monitoring electronic communications on SEDAR and the Company’s website and ensuring compliances with this Policy.
  - The **CEO**, or any other individuals as designated by the CEO, is responsible for the communication of non-financial material with the media, employees, government, customers and communities.
3. The Company has established a **Disclosure Committee** which is responsible for **advising** Management with respect to the Company’s disclosure practices. The Committee’s mandate details the specific objectives, duties and reporting requirements.

**APPLICATION AND ENFORCEMENT OF THIS POLICY**

This Policy extends to all Directors, Officers and Employees of the Company.

Violations of this Policy will result in the Company taking appropriate disciplinary action including, when appropriate, dismissal. Violation of this Policy may also violate certain securities laws. If it appears that an employee may have violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

**END OF POLICY**