This presentation and comments associated with it contain forward-looking statements including statements relating to U.S. housing recovery, the potential for constrained lumber supply, energy-related opportunities, earnings sensitivity and estimated annual capital expenditures. These statements are subject to the cautionary statement which introduces West Fraser’s 2014 Annual Management’s Discussion & Analysis which can be accessed on the Company website www.westfraser.com.
Our Goals

• To be a leading forest products manufacturer, focused on solid wood products
• Strong financial results through the business cycle
• Long-term growth and shareholder value enhancement
• Stable, conservative financial structure
Our Strategy

• Operational excellence
• Diversification
• Product differentiation
• Integration
Operational Excellence

• Managing to ensure a committed workforce
• Cost control and efficiency
• Continuous reinvestment
• Internal and external benchmarking and competition
• Straightforward, consistent business model
LUMBER
27 mills

SPF  3.9  Bfbm
SYP  2.3  Bfbm
Total  6.2  Bfbm

PANELS
7 mills

Plywood: 830  MMsf3/8”
MDF: 300  MMsf3/4”
LVL: 3.2  MMcf

PULP & PAPER
5 mills

NBSK: 570 Mtonnes
BCTMP: 650 Mtonnes
Newsprint: 135 Mtonnes

• North America’s largest lumber producer
• Largest plywood producer in Canada
• Third largest pulp producer in Canada
Trend Sales Mix ($)

- Lumber: 66%
- Panels: 11%
- Pulp & Paper: 23%
Operations diversified by geography

Geographic diversification

Lumber Capacity

- U.S. 37%
- B.C. 40%
- Alberta 23%
Product Differentiation

- Wood as the best environmental choice
- Renewable resource, sustainable business
- Expanding applications
- Bioenergy, full use of the resource
Integration (in Canada)

- Lumber, panels, pulp, newsprint and energy
- Substantial fibre self-sufficiency
- Fuller utilization of resource
- Some benefits from counter-cyclicality
- Better able to respond to new opportunities such as bioenergy
Earnings Growth Drivers - Lumber

**Demand**
- North American housing
- Chinese construction and industrial applications
- Japanese housing

**Supply**
- Fibre limitations
- Residual offtake
- Mill closures
- People

**Efficiency**
- Capital investment
- Business model
Returns on Lumber

EBITDA Margin (%) - Lumber

Average: 16%
Significant pent up demand bodes well for long-term recovery

Source: FEA, Q4 2014
US Housing
Single Family Share well below 30 year average

Share of single-family housing starts

30 year average share = 76%

Source: FEA
Unlike Single-Family, Multi-family has Recovered

Source: U.S. Census Bureau
U.S. Lumber End Use

U.S. Lumber End-use 2013

- Industrial Production, 30%
- Single Family Construction, 24%
- Multifamily Construction, 3%
- Residential Improvements, 38%
- Nonresidential/ Mobile, 5%

U.S. Lumber End-use Normalized

- Single Family Construction, 37%
- Industrial Production, 23%
- Multifamily Construction, 4%
- Residential Improvements, 29%
- Nonresidential/ Mobile, 7%

Source: FEA and WF
Canadian Shipments to China

Equivalent to 300,000 housing starts *

* Based on consumption of 11.5 Mfbm per U.S. housing start (average mix of single and multi family)

Source: Council of Forest Industries, February 2015
B.C. Shipments to Japan

Source: Council of Forest Industries, February 2015
North American Lumber Capacity

Top 10 Lumber Capacity

Top 10 make up 44% of Capacity
Projected Excess Growth

Source: FEA, Q4 2014
Earnings Growth Drivers - Pulp

Demand
- China’s paper, tissue and packaging demand
- Developing countries’ demand
- Price of cotton and similar products

Supply
- European paper capacity closures
- Russian and Canadian start ups
- Product diversification (e.g. dissolving pulp)
- South American production

Reliability
- Capital
- Technology
**Chemical Pulp End-Use Products**

- **Printing and Writing Papers**: 31%
- **Tissue**: 31%
- **Specialty Papers**: 19%
- **Fluff Based Products**: 10%
- **Boxboard**: 5%
- **Other**: 4%

Source: PPPC 2013
BCTMP Pulp End-Use Products

- Boxboard: 44%
- Printing & Writing: 41%
- Specialty Papers: 8%
- Newsprint: 4%
- Other: 3%

Source: PPPC 2013
Alberta Newsprint is the lowest cost newsprint producer in North America and a positive contributor to the profitability of our pulp and paper business.

Source: PPPC Cost Survey 2012
Energy Opportunities

• Woodwaste to produce heat and steam to dry wood products and for electricity and steam for pulp mills

• Woodwaste to produce electricity to be used or sold

• Pulp mill effluent as a source for biogas-electricity generation

• Expanding opportunities to generate and sell electricity leveraging off current business
Capital Strategy

• Reinvest profits to lower costs, improve efficiency through technology and improved processes

• Estimate normalized annual capital spending between $150 and $225 million

• Capital spending in 2014 of $410 million and spending in 2015 to approximate $300 million

• Growth through opportunistic acquisitions focused on solid wood
West Fraser Capital

Capital Spending

2012: $159 Million
- $41 Million Maintenance
- $108 Million Profit Improvement

2013: $358 Million
- $41 Million Maintenance
- $108 Million Profit Improvement
- $110 Million Energy

2014: $410 Million
- $41 Million Maintenance
- $108 Million Profit Improvement
- $110 Million Energy

Bar chart showing capital spending by category for 2012, 2013, and 2014.
Why Invest in West Fraser?

• Proven ability to generate strong cash flow even in worst markets

• Consistent, straightforward business plan

• Loyal, long-term employee and management base

• Conservative financial management coupled with proven ability to grow strategically

• Strong historical shareholder returns
## Strong Cash Generation ($millions)

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash from Operations</td>
<td>1,595</td>
<td>475</td>
<td>419</td>
<td>195</td>
<td>85</td>
<td>421</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>1,229</td>
<td>410</td>
<td>358</td>
<td>159</td>
<td>213</td>
<td>89</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>238</td>
<td>208</td>
<td>-</td>
<td>30</td>
<td>-</td>
<td>-</td>
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</tbody>
</table>
Annualized Shareholder Return (Cdn$)

June 2006* – March 31, 2015

* June 2006 marked the beginning of the steep decline in U.S. housing starts

Source: TD Bank
Share Value Traded

Cdn$ Million

2014
2,800
2,300
1,800
1,300
800
300
0
WFT
CFP
IFP
These materials have been prepared by Management of the Company. No regulatory authority has approved or disapproved of the contents of these materials. These materials do not constitute an offer to sell or the solicitation of an offer to buy any securities of the Company, and shall not constitute an offer, solicitation or sale of the Company’s securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. Securities of the Company may not be offered or sold in the United States absent their prior registration or qualification or an applicable exemption from the applicable registration or qualification requirements.
APPENDIX
## Estimated Earnings Sensitivity to Key Variables

(based on 2014 production- $ millions)

<table>
<thead>
<tr>
<th>Factor</th>
<th>Variation</th>
<th>Change in pre-tax earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lumber price</td>
<td>US$10 (per Mfbm)</td>
<td>61</td>
</tr>
<tr>
<td>Plywood price</td>
<td>Cdn$10 (per Msf)</td>
<td>8</td>
</tr>
<tr>
<td>NBSK price</td>
<td>US$10 (per tonne)</td>
<td>5</td>
</tr>
<tr>
<td>BCTMP price</td>
<td>US$10 (per tonne)</td>
<td>7</td>
</tr>
<tr>
<td>U.S. – Canadian $ exchange rate</td>
<td>US$0.01 (per Cdn $)</td>
<td>24</td>
</tr>
</tbody>
</table>

1. Each sensitivity has been calculated on the basis that all other variables remain constant and assumes year end foreign exchange rates.
2. Excludes exchange impact of translation of U.S. dollar-denominated debt and other monetary items. Reflects the amount of the initial US$0.01 change; additional changes are substantially, but not exactly, linear.