

Gilman Acquisition

July 27, 2017



West Fraser

Forward-Looking Statement

This presentation contains historical information, descriptions of current circumstances and statements about potential future developments including statements regarding the anticipated timing and benefits of the transaction between the Company and the Howard Gilman Foundation and other shareholders, the availability of the new term loan credit facility, and anticipated synergies, and the manner of achieving such synergies. The latter, which are forward-looking statements, are presented to provide reasonable guidance to the reader but their accuracy depends on a number of assumptions and is subject to various risks and uncertainties. Actual outcomes and results will depend on a number of factors that could affect the ability of the Company to execute its business plans, including those matters described in the 2016 annual Management's Discussion & Analysis under "Risks and Uncertainties", and may differ materially from those anticipated or projected. In addition, assumptions on which such forward-looking statements are based include the timely receipt of regulatory approvals and no adverse regulatory decisions, the timely and successful integration of the Company and the Gilman Companies and the accuracy and completeness of information provided to the Company in respect of the Gilman Companies. There can be no assurance that the proposed transaction will occur or that the anticipated strategic benefits and synergies will be realized in their entirety, in part or at all. Accordingly, readers should exercise caution in relying upon forward-looking statements and the Company undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by applicable securities laws.

In this presentation, reference is made to EBITDA and Adjusted EBITDA ("these measures") calculated as shown under the heading "Non- IFRS Measures" in our 2016 MD&A. None of these measures is a generally accepted earnings measure under IFRS and none has a standardized meaning prescribed by IFRS. Investors are cautioned that these measures should not be considered as an alternative to earnings or cash flow as determined in accordance with IFRS. As there is no standardized method of calculating these measures, our calculation method may differ from the method used by other entities and, accordingly, our use of these measures may not be directly comparable to similarly titled measures used by other entities.



Opportunity Overview

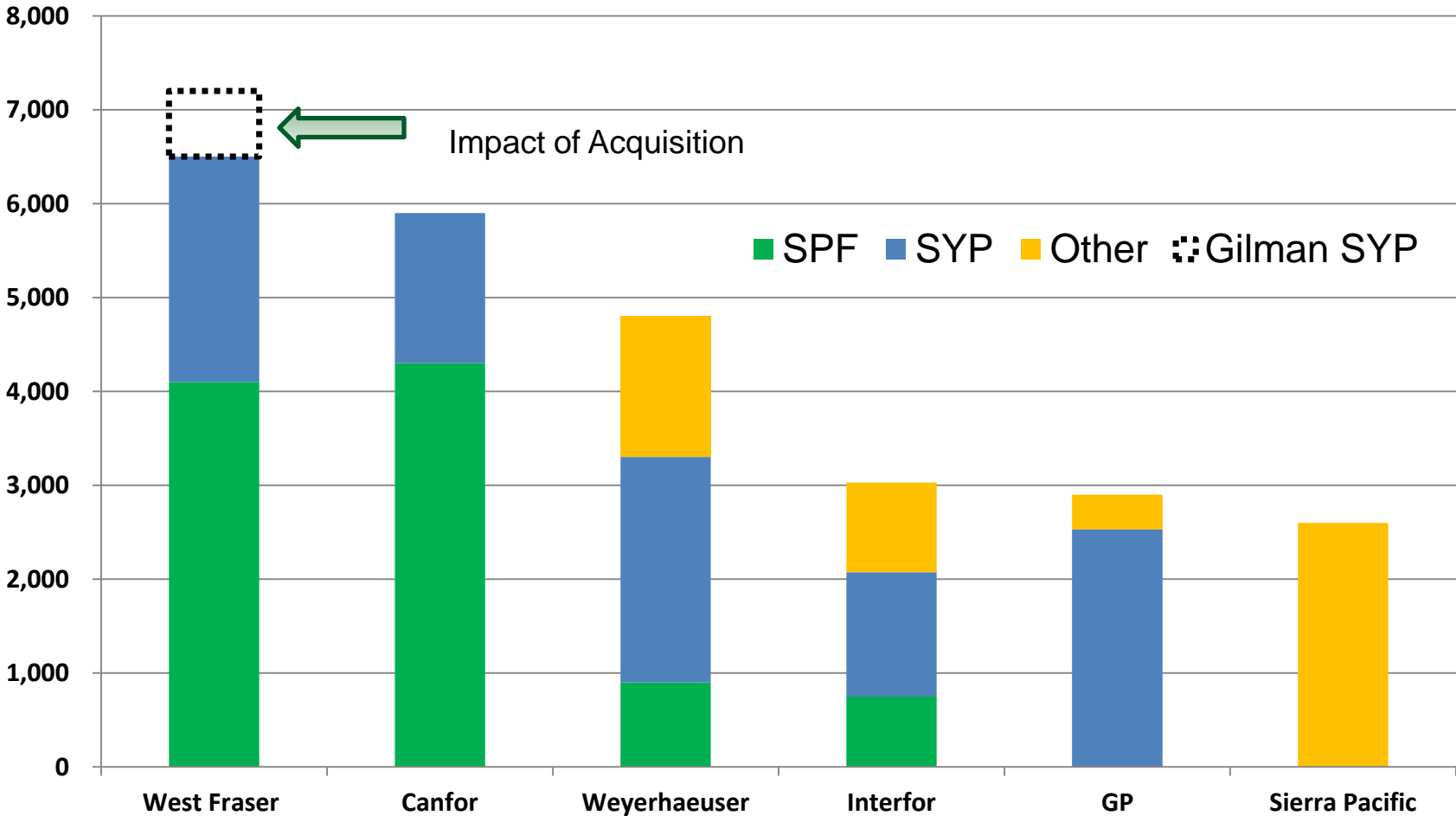
<i>Company Overview</i>	<i>Strategic Rationale</i>
<ul style="list-style-type: none">• 6 sawmills and a fingerjoint facility located in Georgia and Florida• 700 MMfbm of capacity• 900 employees• St. Marys head office to become regional hub for West Fraser• Well diversified timber sourcing and residuals offtake	<ul style="list-style-type: none">• Solid performing mills with great management and employees• Located in good timber resource area• Easy access to large residential construction markets in US south• Complementary locations to existing footprint• Strengthens our existing US platform

Attractive opportunity in line with strategy



North American Lumber Production Capacity

Estimated Lumber Capacity (Mmfbm)



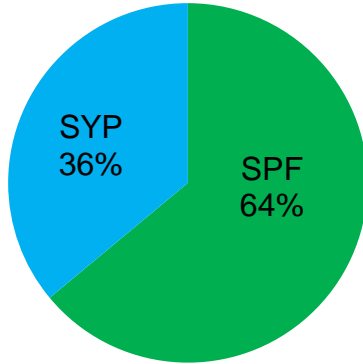
Source: Public filings, Forest Economic Advisors and West Fraser estimates

Solidifies position as the market leader

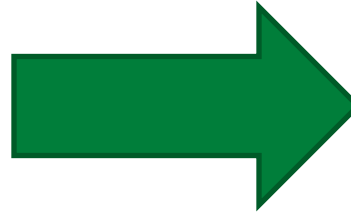
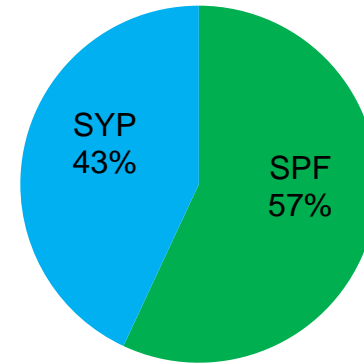


Lumber Diversification

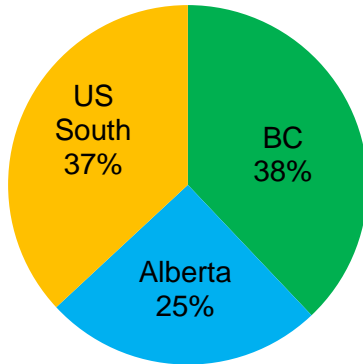
**West Fraser Product Mix
2016A MMfbm**



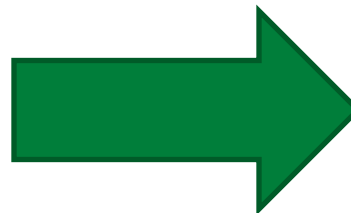
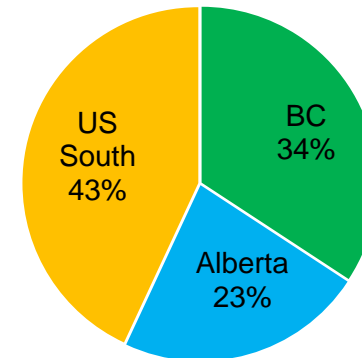
**Pro Forma Product Mix
2016A MMfbm**



**West Fraser Lumber Capacity
(6,500 MMfbm)**



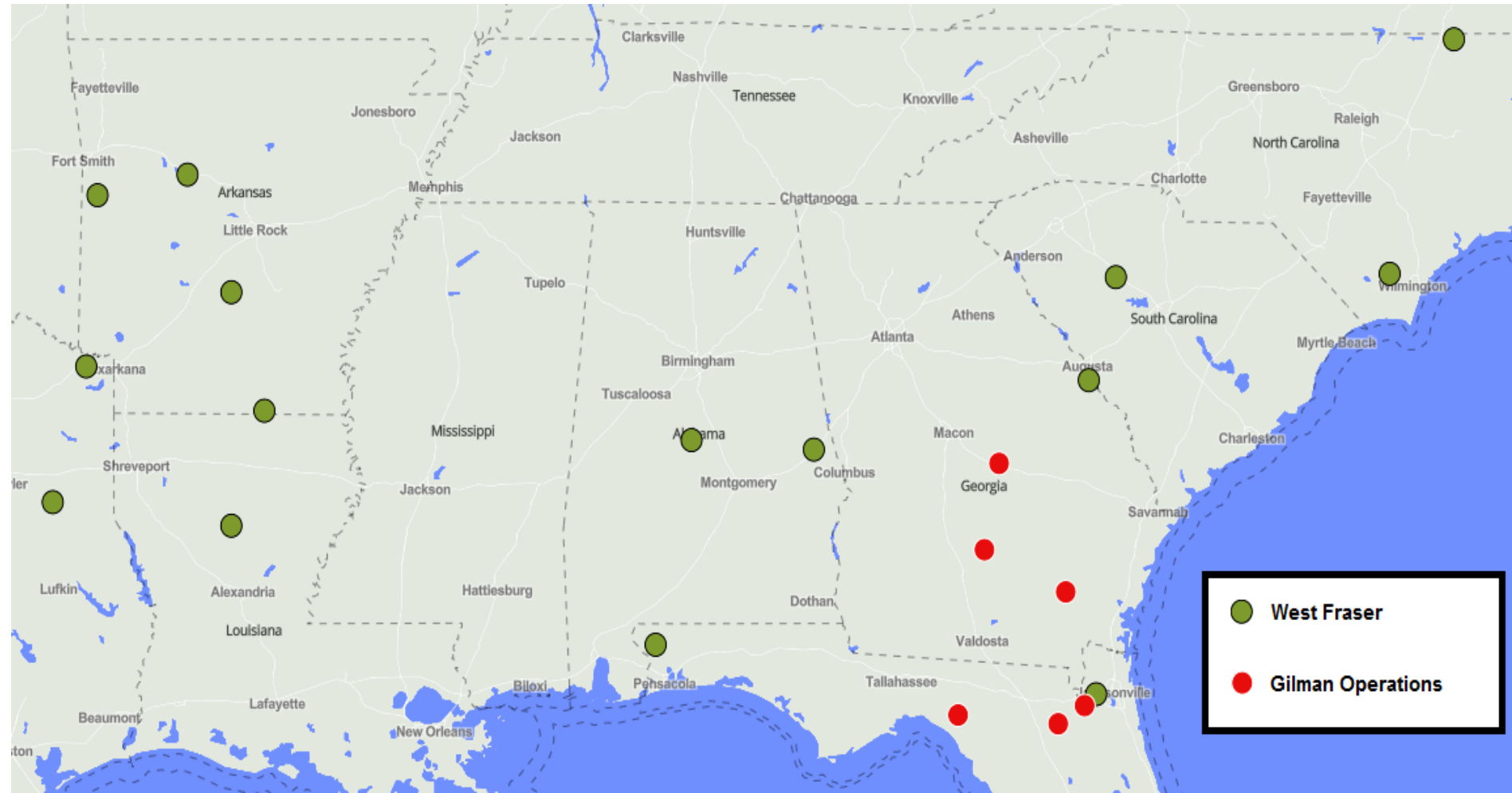
**Pro Forma Lumber Capacity
(7,200 MMfbm)**



Grows presence in US South and in SYP



US South Mill Footprint



Complementary to existing footprint



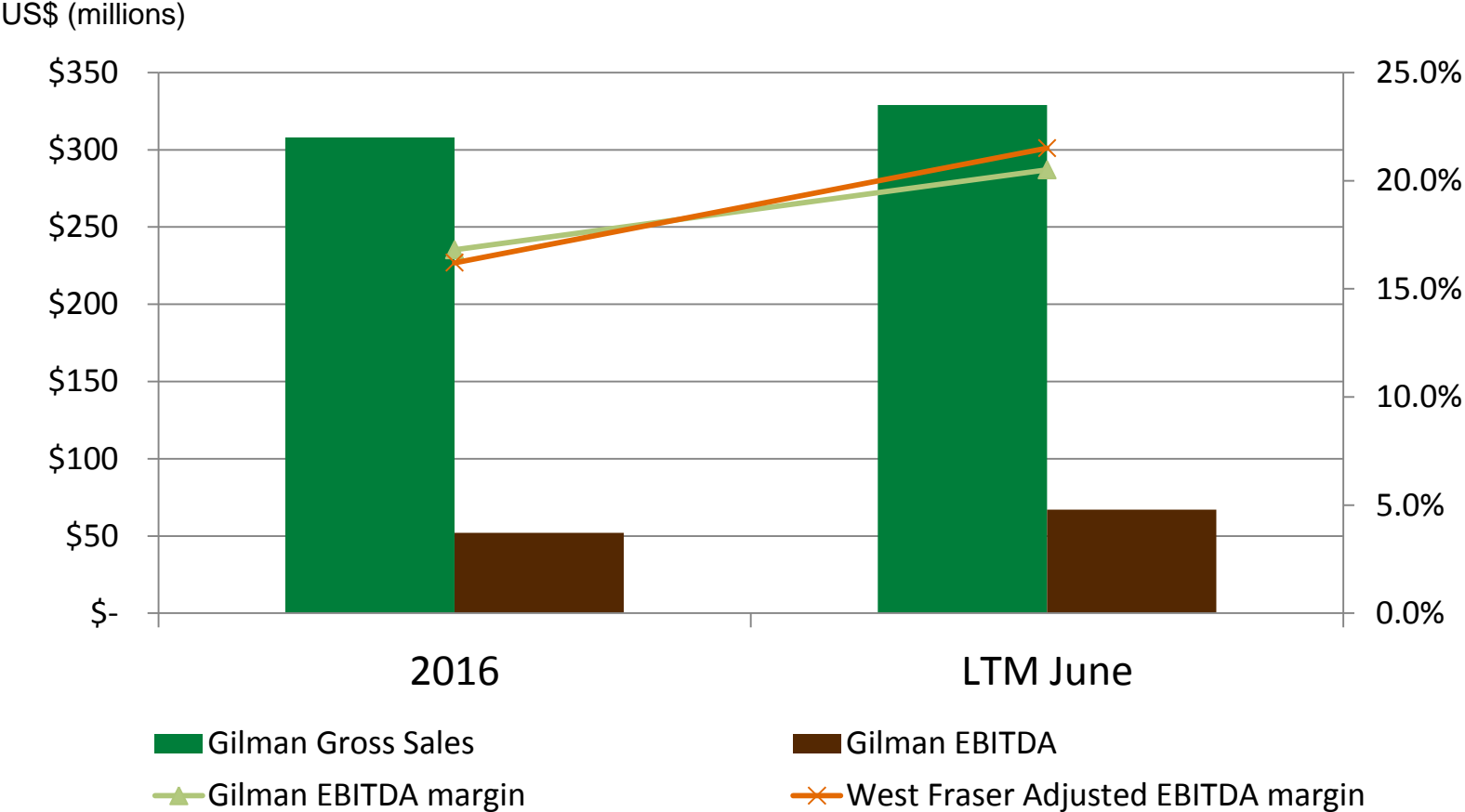
Transaction Overview

<i>Transaction Overview</i>	<i>Financing</i>
<ul style="list-style-type: none">• Purchase price of \$430M USD• Acquired tax benefits of \$28M - \$32M USD expected to be realizable over next 3-4 years• Pre-synergy acquisition multiple of ~6.0X on LTM EBITDA of \$67M USD• Anticipated synergies of \$10M USD per annum• Subject to regulatory approval, anticipated to close in the third quarter	<ul style="list-style-type: none">• Purchase price to be funded through combination of cash on hand, existing credit facilities and a new \$200M USD 5 year facility• Pro forma net debt to capitalization of 22% expected at closing

Value creation opportunity, maintains strong liquidity



Financial Highlights



Solid financial performance



Summary

- ✓ Consistent with strategy to grow our lumber output
 - ✓ Complementary to our existing US footprint
- ✓ Well performing assets with upside opportunity
 - ✓ Adds to pipeline of attractive payback capital investment opportunities
- ✓ Strong cultural alignment with West Fraser
 - ✓ Well managed, lean operations
- ✓ Rare opportunity to add US lumber production of this scale

