

**FIRST AMENDMENT TO
AMENDED AND RESTATED CREDIT AGREEMENT**

THIS AGREEMENT is dated for reference June 29, 2023

AMONG:

WESTERN FOREST PRODUCTS INC.

("WFP")

AND:

WESTERN FOREST PRODUCTS US LLC

("WFP US"; together with WFP, the "Borrowers")

AND:

ROYAL BANK OF CANADA, in its capacity as Sole Bookrunner, Co-Lead Arranger, Administrative Agent and Sustainability Structuring Agent

(the "Administrative Agent")

AND:

THE BANK OF NOVA SCOTIA, in its capacity as Co-Lead Arranger

(the "Arranger")

AND:

**EACH OF THE LENDERS NAMED ON THE SIGNATURE PAGES OF
THIS AGREEMENT**

(the "Lenders")

WHEREAS:

A. The Borrowers, the Administrative Agent, the Arranger and the Lenders entered into a first amended and restated credit agreement dated for reference July 21, 2021 (the "**Existing Credit Agreement**");

B. The Borrowers, the Administrative Agent, the Arranger and the Lenders have agreed to amend the Existing Credit Agreement as provided in this Agreement.

WITNESSETH THAT in consideration of the mutual covenants and agreements herein and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows:

1. INTERPRETATION

1.1 General

- (a) Words with an initial capital letter which are not otherwise defined in this Agreement have the meanings set out in the Existing Credit Agreement.
- (b) Wherever the singular or the masculine are used in this Agreement, the same shall be deemed to include the plural or the feminine or vice versa and a body politic or corporate where the context or the parties so require.
- (c) Unless otherwise specified all statements of, or reference to, dollar amounts in this Agreement without currency specification shall refer to Canadian Dollars.

1.2 Definitions

Where used in this Agreement, the following terms shall have the following meanings:

- (a) **"Agreement"** means this first amendment to the Existing Credit Agreement, together with any amendments hereto.
- (b) **"Effective Date"** means the date on which all of the conditions specified in Section 4 are satisfied or otherwise waived by the Administrative Agent as of that date.
- (c) **"Restricted Subsidiaries"** means, collectively, Western Lumber Sales Limited, Cascadia Fibre Supply Ltd., Western Forest Products Japan Ltd., WFP Partnerships Ltd., WFP Holdings US Inc., Western Forest Products US LLC, Western Specialty Lumber Sales US LLC and WFP Engineered Products LLC.

1.3 Successors and Assigns

This Agreement and the Existing Credit Agreement as amended by this Agreement shall enure to the benefit of and be binding on each of the parties hereto and their respective successors and permitted assigns.

1.4 Applicable Law

This Agreement shall be construed in accordance with and governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

2. REPRESENTATIONS AND WARRANTIES

Each of the Borrowers represents and warrants to the Lenders that the execution and delivery of this Agreement will not contravene a provision of any statute, regulation, order or permit applicable to it or cause a conflict with or contravention of its constating documents or cause a breach of or constitute a default under or require any consent under any instrument or agreement to which it is a party or by which it is bound except such as have been obtained or waived, as the case may be.

3. AMENDMENTS TO THE EXISTING CREDIT AGREEMENT

Subject to Section 4 of this Agreement, the Existing Credit Agreement is amended as follows:

- (a) amending Section 1.1 by deleting the definition of "Restricted Subsidiary" in its entirety and replacing it with the following:

"Restricted Subsidiary" means the following subsidiaries of WFP:

- (a) WFP US;

- (b) WFP Partnerships Ltd.;
 - (c) Western Lumber Sales Limited;
 - (d) Cascadia Fibre Supply Ltd.;
 - (e) WFP Holdings US Inc.;
 - (f) WFP Japan;
 - (g) Western Specialty Lumber Sales US LLC;
 - (h) WFP Engineered Products LLC; and
 - (i) any Subsidiary designated as such by WFP or WFP US provided that the Borrowers have complied with the provisions of §9.4.”;
- (b) amending Section 1.1 by deleting the definition of “WFP Japan” in its entirety and replacing it with the following:
- “**WFP Japan**” means Western Forest Products Japan Ltd.”
- (c) amending Section 9.1(t) by deleting it in its entirety and replacing it with the following:
- “*Group Coverage Test*. Each of the Borrowers will ensure that, at all times the Borrowers and the Restricted Subsidiaries collectively account for not less than:
- (1) 70% of the consolidated revenues of WFP, excluding revenues generated by or attributable to Specified Assets, where revenue is determined by the four most recently completed Financial Quarters; and
 - (2) 80% of the assets of WFP on a consolidated basis as publicly reported in the consolidated financial statements of WFP, excluding the book value of Specified Assets,
- (collectively, the “**Group Coverage Test**”);” and
- (d) replacing Schedule 4 with Exhibit A attached hereto.

4. **CONDITIONS PRECEDENT**

The Lenders shall have no obligation to amend the Existing Credit Agreement by this Agreement unless the Administrative Agent shall have received the following, each in form and content acceptable to the Administrative Agent:

- (a) this Agreement duly executed by all parties thereto;
- (b) certification of prior resolutions passed by the board of directors for each of the Borrowers and the Restricted Subsidiaries with respect to the Existing Credit Agreement confirming such resolutions are in effect as of the Effective Date;
- (c) no Default or Event of Default has occurred and is continuing; and
- (d) such other documents as the Administrative Agent and the Lenders may reasonably require in connection with this Agreement.

5. **CONFIRMATIONS AND ACKNOWLEDGEMENTS**

Each of the Borrowers and the Restricted Subsidiaries hereby acknowledges and confirms:

- (a) that it is bound by and continues to be bound by and remains liable pursuant to the terms of the Existing Credit Agreement and the Security to which it is a party; and
- (b) that the Security is held and will continue to be held by the Administrative Agent as continuing security for all debts, liabilities and obligations of the Borrower and the Restricted Subsidiaries to the Administrative Agent, under or pursuant to the Existing Credit Agreement, including, without limitation, the Obligations and all outstanding Borrowings.

6. GENERAL

6.1 Deemed Borrowings

The Borrowers and the Lenders acknowledge and agree that all outstanding Borrowings under the Existing Credit Agreement as of the Effective Date shall continue to be outstanding and constitute Borrowing under the Existing Credit Agreement, as amended by this Agreement.

This Agreement shall not be deemed to evidence or result in a novation of such Borrowings or a repayment and reborrowing of such Borrowings.

6.2 Further Assurance

The Borrowers will do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including certificates, acknowledgements, declarations, affidavits, reports and opinions) and things as the Administrative Agent may reasonably require for the purpose of giving effect to this Agreement.

6.3 Amendment

This Agreement shall from the Effective Date be read and construed along with the Existing Credit Agreement and be treated as a part thereof and, for such purposes and so far as may be necessary to effectuate these presents, the Existing Credit Agreement shall be regarded as being hereby amended, and the Existing Credit Agreement as so amended together with all of the covenants, clauses, agreements, provisos, stipulations, conditions, powers, matters and things whatsoever contained in the Existing Credit Agreement shall continue in full force and effect.

6.4 Counterparts

This Agreement and all documents contemplated hereby or delivered hereunder or in connection herewith may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same instrument, and it shall not be necessary in making proof of this Agreement and such other documents to produce or account for more than one such counterpart. Delivery of an executed counterpart of this Agreement and such other documents by facsimile, by sending a scanned copy by electronic mail or by other electronic method of transmission shall be equally as effective as delivery of an originally executed counterpart of the same.

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6.5 Reference Date

This Agreement is dated for reference June 29, 2023 notwithstanding its actual date of execution.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed this 29th day of June, 2023.

BORROWERS:

WESTERN FOREST PRODUCTS INC.

Per: "*Stephen Williams*"

Stephen Williams
Executive Vice President and CFO

WESTERN FOREST PRODUCTS US LLC

Per: "*Stephen Williams*"

Stephen Williams
Executive Vice President and CFO

RESTRICTED SUBSIDIARIES:

WESTERN LUMBER SALES LIMITED

Per: "*Stephen Williams*"

Stephen Williams
Executive Vice President and CFO

CASCADIA FIBRE SUPPLY LTD.

Per: "*Stephen Williams*"

Stephen Williams
Executive Vice President and CFO

WESTERN FOREST PRODUCTS JAPAN LTD.

Per: "*Stephen Williams*"

Stephen Williams
Executive Vice President and CFO

WFP PARTNERSHIPS LTD.

Per: "*Stephen Williams*"

Stephen Williams
Executive Vice President and CFO

WFP HOLDINGS US INC.

Per: "*Stephen Williams*"

Stephen Williams
Executive Vice President and CFO

**WESTERN SPECIALTY LUMBER SALES
US LLC**

Per: "*Stephen Williams*"

Stephen Williams
Executive Vice President and CFO

WESTERN FOREST PRODUCTS US LLC

Per: "*Stephen Williams*"

Stephen Williams
Executive Vice President and CFO

WFP ENGINEERED PRODUCTS LLC

Per: "*Stephen Williams*"

Stephen Williams
Executive Vice President and CFO

[Signature Pages to Follow.]

ADMINISTRATIVE AGENT:

ROYAL BANK OF CANADA,

Per: "*Susan Khokher*"

Susan Khokher
Manager, Agency

[Signature Pages to Follow.]

LENDERS:

ROYAL BANK OF CANADA

Per: "*Curtis Standerwick*"

Curtis Standerwick
Authorized Signatory

THE BANK OF NOVA SCOTIA

Per: "*Kurt Foellmer*"

Kurt Foellmer
Director

Per: "*Andrew Pryor*"

Andrew Pryor
Associate Director

**CANADIAN IMPERIAL BANK OF
COMMERCE**

Per: "*Martin Weitbrecht*"

Martin Weitbrecht
Authorized Signatory

**WELLS FARGO BANK, NATIONAL
ASSOCIATION**

Per: "*John Cantalupo*"

John Cantalupo
Senior Vice President

Per: "*Ben Fallico*"

Ben Fallico
Authorize Signatory

THE TORONTO-DOMINION BANK

Per: "*Rahim Kabani*"

Rahim Kabani
Managing Director

Per: "*Ben Montgomery*"

Ben Montgomery
Director

EXHIBIT A

SCHEDULE 4

SUBSIDIARIES

(for purposes of §7.7)

Restricted Subsidiaries	Jurisdiction in which incorporated or amalgamated	% Ownership
Western Lumber Sales Limited	Canada	100
Cascadia Fibre Supply Ltd.	British Columbia	100
Western Forest Products Japan Ltd.	Japan	100
WFP Partnerships Ltd.	British Columbia	100
WFP Holdings US Inc.	Washington State	100
Western Forest Products US LLC	Washington State	100
Western Specialty Lumber Sales US LLC	Washington State	100
WFP Engineered Products LLC	Washington State	100