

CONIFEX TIMBER INC.

(the "Corporation")

AMENDMENT TO BY-LAWS

The by-laws of the Corporation are amended by inserting the following as a new Article 2A:

"2A. NOMINATION OF DIRECTORS

2A.1 Nomination Procedures. Subject only to the Act and the articles of the Corporation, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called is the election of directors:

- (a) by or at the direction of the board of directors, including pursuant to a notice of meeting;
- (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act, or a requisition of shareholders made in accordance with the provisions of the Act; or
- (c) by any person (a "**Nominating Shareholder**") who (i) at the close of business on the date of the giving of the notice provided for in this Article 2A and on the record date for notice of such meeting of shareholders, is a registered holder of one or more shares entitled to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting (and who, if requested, provides evidence of such beneficial ownership reasonably satisfactory to the Corporation) and (ii) who complies with the notice procedures set forth below in this Article 2A. If the Nominating Shareholder is not an individual, the notice required by this Article 2A must be signed by an authorized representative, being a duly authorized director, officer, manager, trustee, partner or other similar person, as applicable, of such entity who provides evidence of such authorization that is reasonably satisfactory to the Corporation.

2A.2 Notice Requirement for Shareholder Nominations. In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Secretary of the Corporation at the principal executive offices of the Corporation in accordance with Sections 2A.3 and 2A.4 below.

2A.3 Timing Requirements for Notice. To be timely, a Nominating Shareholder's notice to the Secretary of the Corporation must be made:

- (a) in the case of an annual meeting of shareholders, not less than 30 days prior to the date of the meeting; *provided*, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first public announcement (the "**Notice Date**") of the meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
- (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes as well), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

2A.4 Form Requirements for Notice. To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Corporation must set forth:

- (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person for the last five years; (C) the status of such person as a "resident Canadian" as defined in the Act; (D) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (E) a statement as to whether such person would be "independent" (within the meaning of section 1.4 and 1.5 of NI 52-110 – *Audit Committees*, of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected as a director and the reasons for such determination; and (F) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and
- (b) as to the Nominating Shareholder giving the notice, (A) full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has the right to vote or direct the voting of any shares of the Corporation and (B) any information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws.

As used herein, "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

2A.5 Requirement to Update Notice and Provide Further Information. All information to be provided pursuant to section 2A.4 above shall be provided as of the date of such notice. If requested by the Corporation, the Nominating Shareholder shall update such information so that it is true and correct in all material respects as of the record date for the meeting of shareholders. Additionally, the Corporation may require, and the Nominating Shareholder shall procure, that any proposed nominee furnish such further information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as a director or that could be material to a reasonable shareholder's understanding of the experience, independence or qualifications of such proposed nominee.

2A.6 Eligibility for Nomination as Director. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Article 2A; *provided*, however, that nothing herein shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

2A.7 No Obligation to Endorse. Nothing in this Article 2A shall be construed to create an obligation on the part of the board of directors or on the Corporation to endorse (a) a Nominating Shareholder's notice of intention to nominate a person as a director or (b) any such nominee's candidacy.

2A.8 Board Discretion to Waive. Notwithstanding anything to the contrary contained herein, the board of directors may, in its sole discretion, waive any requirement in this Article 2A."

The above amendment to the by-laws of the Corporation is effective from May 19, 2015, being the date such amendment was approved and adopted by the board of directors of the Corporation, until it is confirmed, confirmed as amended or rejected by the shareholders of the Corporation under Section 103(2) of the *Canadian Business Corporations Act* (the "**Act**") or until it ceases to be effective under Section 103(4) of the Act, and if the above amendment to the by-laws of the Corporation is confirmed, or confirmed as amended, then the amendment to the by-laws of the Corporation shall continue in effect in the form in which it was so confirmed.