



Chain of Custody Certificate

This is to confirm that KPMG Performance Registrar Inc. has examined the procedures of

Howe Sound Pulp and Paper Corporation

3838 Port Mellon Highway, Port Mellon, British Columbia V0N 2S0

and determined that the Company maintains chain of custody and sales tracking systems which form a reasonable basis for: (1) tracking the source of wood fibre processed by these facilities, and (2) ensuring that the output from these facilities, which is claimed to be "PEFC-certified", will not exceed the amount of wood fibre coming into these facilities from PEFC certified woodlands operations*. The Company's Chain of Custody system conforms in all material respects to the requirements of PEFC Annex 4: Chain of Custody of Forest Based Products – Requirements.

This Chain of Custody System certification applies to:

Manufacture and sale of kraft pulp and newsprint.

This chain of custody certification is given subject to the terms and conditions governing the use of this certificate as described in the agreement between KPMG Performance Registrar Inc. and the holder thereof. Chain of custody certification does not assure regulatory compliance or continued conformance with the applicable standards by the certified woodlands operations from which wood fibre is obtained. *PEFC certified woodlands operations are those which are certified under forest certification standards endorsed by PEFC, including the following standards: the CSA Z809 Sustainable Forest Management standard and the Sustainable Forestry Initiative (SFI®) standard.

Certificate No. 2247.03
Issue Date: February 2, 2007
Revision Date: November 8, 2010
Expiry Date: January 21, 2013



Chris Ridley-Thomas
President
KPMG Performance Registrar Inc.
Vancouver, B.C., Canada V7Y 1K3