

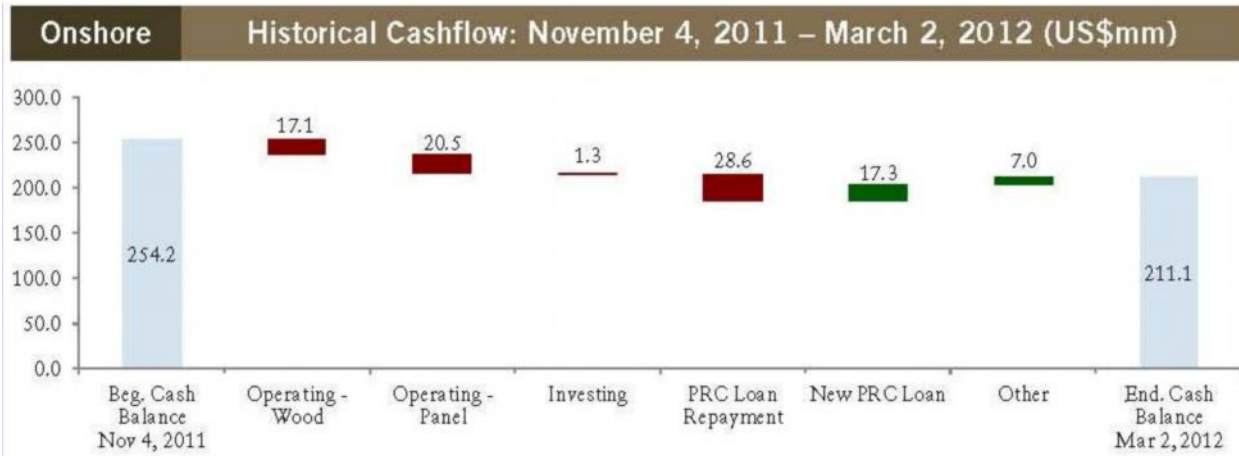
SCHEDULE A

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CASH BALANCE UPDATE & 2012 CASHFLOW FORECAST

Summary Cashflow Since Publicly Disclosed on November 15, 2011

- Total cash consumed between November 4, 2011 and March 2, 2012 of US\$174.7 million
- Cash consumed onshore was US\$43.1 million while cash consumed offshore was US\$131.6 million
- Cash used in operations included purchases of land leases, a onetime offshore trading purchase, plantation overhead and corporate overhead, partially offset by collection of sales receipts



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CASH BALANCE UPDATE & 2012 CASHFLOW FORECAST

Cash Position by Geography as of March 2, 2012

Cash Position Summary as of March 2, 2012 (US\$mm) ⁽¹⁾	
China Entities – Accounts in China	211.0 ⁽²⁾
China Entities – Offshore Accounts	43.2
Hong Kong	74.2
Canada	67.8
Barbados	0.1
Total	392.2

Offshore:
US\$185.2 mm

Notes:

A substantial portion of the Company's cash balance is currently held in its People's Republic of China (PRC) subsidiaries in United States dollars (USD). Conversion of USD to Renminbi (RMB) requires approval of the State Administration of Foreign Exchange (SAFE) in China.

(1) Assume RMB/USD conversion rate of 6.3

(2) Subject to SAFE procedures relating to conversion of foreign exchange into USD for repatriation outside of China and certain funds are pledged as collateral for PRC bank loans

2012 Cashflow Forecast Assumptions

- The following outlines major assumptions that drive the 2012 cashflow forecast
- CCAA filing end of the first quarter of 2012
 - No cash interest will be paid on the Notes during CCAA
 - Emergence from CCAA end of the third quarter of 2012 with no debt remaining in Canada (will be dealt with under CCAA plan)
 - Assumes US\$4 million transfer from Hong Kong to Canada in the first quarter of 2012 to top up funds required for litigation trust, etc.
- Professional fees continue at current rate (approximately US\$4 million / month) until filing CCAA then step up to US\$5 million per month until emergence end of the third quarter of 2012

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CASH BALANCE UPDATE & 2012 CASHFLOW FORECAST

- Assume US\$35 million of one time emergence costs in the third quarter of 2012 for transaction fees, any potential financing fees, cash remaining to fund litigation trust (assumes US\$20 million left in SFC to fund litigation), etc.
- Business activity level
 - Business operates in “maintenance mode” in the first quarter through the third quarter of 2012 (e.g., some opportunistic WFOE timber sales, BVI timber purchasing continues but selling slows down such that existing A/R balances are reduced, normal SG&A, offshore trade executed, manufacturing/other businesses operate normally, etc.)
 - Restart normal WFOE timber business operations at the beginning of the fourth quarter of 2012, with approximately 7,700 WFOE hectares sold
 - Company currently exploring opportunity to monetize selected WFOE assets for cash in the first and second quarters of 2012, but existing 2012 forecast does not assume restart until the fourth quarter of 2012
- No onshoring of BVI timber assets
- Working Capital
 - Working capital “true up” begins in the fourth quarter of 2012.
 - Legacy issues are resolved over two year time period, which results in net neutral cash flow (~100% of payables are paid and ~80% of receivables are collected), though payables are already being settled, whereas collection of receivables does not start until the fourth quarter of 2012.

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CASH BALANCE UPDATE & 2012 CASHFLOW FORECAST

2012 Cashflow Summary

2012 Cashflow Projection – CCAA Filing March 31, 2012 (US\$'000)					
	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012
Operating Activities:					
Timber					
Timber - WFOE	(10,480)	(7,581)	(7,423)	13,415	(12,069)
Subtotal - Timber	(10,480)	(7,581)	(7,423)	13,415	(12,069)
Trading	(4,013)	9,252	68,658	-	73,897
Manufacturing & Others	(2,636)	(2,636)	(2,636)	(2,636)	(10,543)
Corporate	(11,973)	(12,000)	(12,000)	(12,000)	(47,973)
Notes Interest (CA)	(38,875)	-	-	-	(38,875)
Greenheart Funding (HK)	(8,000)	-	-	-	(8,000)
Professional Fees (CA)	(12,000)	(15,000)	(15,000)	-	(42,000)
Transaction/Emergence Cost (CA)	-	-	(35,000)	-	(35,000)
Consent Fees (CA)	(10,100)	-	-	-	(10,100)
Other (including Canada SG&A)	(720)	(720)	(720)	(720)	(2,880)
Subtotal - Operation ex. Change in Existing WC	(98,076)	(27,965)	(3,401)	(1,220)	(130,663)
Subtotal - Change in Existing WC	(25,360)	(36,141)	(34,441)	(7,925)	(103,867)
Subtotal - Operation	(123,437)	(64,106)	(37,842)	(9,146)	(234,530)
Investing Activities:					
Timber - WFOE	(1,182)	(1,182)	(1,182)	(1,182)	(4,728)
Subtotal - Investing	(1,182)	(1,182)	(1,182)	(1,182)	(4,728)
Financing Activities:					
Subtotal - Financing	(9,000)	(11,900)	(9,500)	-	(30,400)
Total Cash Flow	(133,619)	(77,188)	(48,524)	(10,328)	(269,658)
Ending Cash Balance	354,662	277,475	228,951	218,623	218,623
Onshore - Panel	114,421	74,456	67,945	25,394	25,394
Onshore - Wood	70,009	59,786	51,261	72,517	72,517
Offshore - HK	102,833	91,553	108,785	120,473	120,473
Offshore - Canada	67,399	51,679	959	239	239
<i>Cash remaining in SFC Estate</i>	-	-	20,000	20,000	20,000

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