

# ACADIAN TIMBER

## NEWS RELEASE

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#### **Acadian Timber Income Fund Files Preliminary Prospectus**

(All financial references are in Canadian dollars unless otherwise noted)

**Toronto, ON (December 19, 2005)** – Acadian Timber Income Fund (“Acadian” or the “Fund”) announced today that it has filed a preliminary prospectus with securities regulatory authorities in each of the provinces and territories of Canada relating to an initial public offering of Fund units. The Fund intends to use the proceeds of the offering to acquire approximately 765,000 acres of freehold timberlands and related assets in New Brunswick from Fraser Papers Inc. (“Fraser Papers”) (TSX:FPS) and will purchase a controlling interest in an affiliate of Brookfield Asset Management Inc. (“Brookfield”) (NYSE/TSX:BAM) which owns approximately 311,000 acres of freehold timberlands in Maine.

The amount of consideration to be paid to Fraser Papers and Brookfield will be determined at the time of the Acadian initial public offering, which is expected to occur during the first quarter of 2006. On completion of the initial issuance of Fund units, Fraser Papers and Brookfield will receive a combination of cash and securities, which are exchangeable for Fund units. These retained interests are expected to be in a range of 22% to 23% and 27% to 32%, respectively, for Fraser Papers and Brookfield, of the outstanding Fund units on a fully-diluted basis.

The Fund will be managed by Brookfield Timberlands Management LP, a wholly owned subsidiary of Brookfield.

The Fund offering will be co-led by CIBC World Markets and RBC Capital Markets.

A preliminary prospectus relating to the Fund units has been filed with securities regulatory authorities in each of the provinces and territories of Canada but has not yet become final for the purpose of the sale of securities. This news release does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale or any acceptance of an offer to buy these securities in any province or territory of Canada before a receipt for the final prospectus or other authorization is obtained from the securities commission or similar authority in such province or territory. In addition, the Fund units have not been registered under the United States Securities Act of 1933, or any state securities laws, and may not be offered or sold in the United States. This news release is intended for distribution in Canada only and is not intended for

distribution to United States newswire services or dissemination in the United States. Copies of the preliminary prospectus may be obtained from [www.sedar.com](http://www.sedar.com).

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**Contacts:**

Bryan Davis  
Chief Financial Officer  
Acadian Timber Income Fund  
Tel: (416) 359-8612

Reid Carter  
President  
Acadian Timber Income Fund  
Tel: (604) 661-9142

*Note: This press release contains "forward-looking statements" that are based on certain assumptions and reflect Acadian's current expectations. The words "believe," "expect," "anticipate," "intend," "estimate" and other expressions which are predictions of or indicate future events and trends and which do not relate to historical matters identify forward-looking statements. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the company to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those set forth in the forward-looking statements include general economic conditions, interest rates, availability of equity and debt financing and other risks detailed from time to time in the documents filed by the company with the securities regulators in Canada. Acadian undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*