



ACADIAN TIMBER

ACADIAN TIMBER CORP.

CODE OF BUSINESS CONDUCT

Adopted January 1, 2010, amended December 4, 2019

In varying degrees, each director, officer and employee (collectively “**Acadian Personnel**”) of Acadian Timber Corp. (the “**Corporation**”) and its subsidiaries (collectively, “**Acadian**”) represents Acadian in his or her dealings with others, whether other employees, customers, suppliers, competitors, securityholders, governments or the general public. Acadian expects all Acadian Personnel to conduct themselves with the highest standards of honesty and integrity and in compliance with all legal requirements, avoiding even the appearance of improper behaviour.

So that there can be no doubt as to what is expected of Acadian Personnel in this regard, the Board of Directors of the Corporation has adopted this Code of Business Conduct (the “**Code**”) which is to be followed by all Acadian Personnel.

Management of the Corporation is responsible for administering this Code and the Chief Financial Officer of the Corporation is the contact person for any questions regarding the Code.

In summary:

1. Acadian Personnel must comply with all laws applicable to Acadian’s business.
2. Acadian Personnel must deal fairly with Acadian’s stakeholders.
3. Acadian Personnel must not offer expensive gifts or other benefits to persons, including public officials and political parties, that might influence or be perceived as influencing a business decision.
4. Acadian Personnel must not accept expensive gifts or other benefits from persons doing or seeking to do business with Acadian.
5. Acadian Personnel must avoid all situations in which their personal interests conflict or might conflict with the interests of Acadian.
6. Acadian Personnel must not use for their own financial gain, or disclose for the use of others, information obtained as a result of their employment that has not been disclosed to the public.
7. Acadian Personnel must ensure that the books and records of Acadian accurately reflect all transactions and report any accounting, auditing or disclosure concerns.
8. Acadian Personnel have the obligation to report any violation of laws or this Code.
9. Acadian Personnel must comply with the policy of Acadian to provide an environment free of discrimination, harassment and violence.
10. Acadian Personnel should protect the assets, including Internet access provided by Acadian, and use the assets of Acadian only for business-related purposes.

EXPLANATION OF CODE

The Code prescribes the minimum moral and ethical standards of conduct required of all Acadian Personnel. **Acadian Personnel who violate the standards in this Code will be subject to disciplinary action, up to and including termination of their employment or other relationship with Acadian for cause. If you are in a situation that you believe may violate or lead to a violation of this Code, follow the guidelines described below under “Compliance Procedures”.**

A brief explanation of each of the rules constituting the Code is set forth below. Acadian Personnel who have questions regarding the application of any rule should seek guidance from their supervisor.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Many of Acadian’s activities are subject to complex and changing laws. Ignorance of the law is not, in general, a defence to an action for contravention of a law. Acadian Personnel are expected to make every reasonable effort to become familiar with all laws affecting their activities and to exert due diligence in complying with these laws. If a law conflicts with a policy in this Code, employees must comply with the law.

For example, there are laws for the protection of the environment. Acadian’s policy is to meet or exceed all applicable governmental requirements regarding the environment. Acadian Personnel whose activities may affect the environment must be aware of the applicable governmental requirements and report any violations thereof to their superiors, or to a senior officer of Acadian.

Acadian will make information concerning applicable laws available to Acadian Personnel. If there are any doubts as to the applicability of any law, Acadian Personnel should refer the matter to their supervisor who may obtain advice from Acadian’s legal counsel where appropriate.

FAIR DEALING AND COMPETITION

Acadian Personnel must endeavour to respect the rights of, and deal fairly with, all stakeholders, including securityholders, customers, suppliers, competitors and employees, and should not take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice. Acadian seeks to excel and to outperform any competitors fairly and honestly through superior performance and not through unethical or illegal business practices.

In addition, Acadian Personnel should never act in a manner that may be anti-competitive under anti-trust laws, including entering agreements or making arrangements contrary to competition laws; such arrangements do not have to be in writing to contravene competition laws. The Chief Financial Officer of the Corporation is available to assist Acadian Personnel in determining the application of those laws and to seek the advice of legal counsel where appropriate.

GIFTS AND ENTERTAINMENT

Acadian Personnel whose duties permit them to do so, such as employees in marketing, may offer modest gifts, entertainment or other benefits to persons who have a business relationship with Acadian. The benefits must be given in accordance with generally accepted ethical business practices. Offering any gift, gratuity or entertainment that might be perceived to unfairly influence a business relationship should be avoided. For example, it is acceptable to take a customer to dinner, or offer tickets to a sporting or cultural event, but it is not acceptable to give a customer cash.

Similarly, Acadian Personnel may accept modest gifts, entertainment or other benefits from persons doing or seeking to do business with Acadian, provided the benefits are given in accordance with generally accepted ethical business practices. Receiving any gift, gratuity or entertainment that might be perceived to unfairly influence a business relationship should be avoided; for example, a pair of tickets to a baseball game may be accepted from a supplier, but it is unacceptable to take a vacation trip from a supplier.

All business dealings must be free from any favourable treatment resulting from the personal interests of Acadian Personnel. These guidelines apply at all times and do not change during traditional gift-giving seasons. No gift or entertainment should ever be offered, given, provided, authorized or accepted by any Acadian Personnel or their family members unless it is not a cash gift, is consistent with customary business practices, is not excessive in value, cannot be construed as a bribe or payoff and does not violate any laws. Strict rules apply when Acadian does business with governmental agencies and officials (as discussed in more detail below). Acadian Personnel should discuss with their supervisor any gifts or proposed gifts about which they have any questions.

LOBBYING

Any contact with government personnel for the purpose of influencing legislation or rule-making, including such activity in connection with marketing or procurement matters, is considered lobbying. Acadian Personnel are responsible for knowing and adhering to all relevant lobbying laws and associated gift laws, if applicable, and for compliance with all reporting requirements. Acadian Personnel must obtain the prior approval of the Chief Executive Officer of the Corporation to lobby, or to authorize anyone else (for example, a consultant or agent) to lobby on behalf of Acadian, except when lobbying only involves normal marketing activities and not influencing legislation or rule-making.

PAYMENTS TO GOVERNMENT PERSONNEL

All Acadian Personnel must comply with all laws prohibiting improper payments to domestic and foreign officials. Other governments have laws regarding business gifts that may be accepted by government personnel. The promise, offer or delivery to an official or employee of various governments of a gift, favour or other gratuity in violation of these laws would not only violate this Code but could also be a criminal offence. Illegal payments should not be made to government officials of any country. The Chief Financial Officer of the Corporation can provide guidance to Acadian Personnel in this area.

In addition, while Acadian encourages Acadian Personnel to become involved in political activity acting on their own behalf, they may not do so as representatives of Acadian.

CONFLICTS OF INTEREST

A conflict of interest arises where the judgement of Acadian Personnel in acting on behalf of Acadian is or may be influenced by an actual or potential personal benefit for such Acadian Personnel or a relative or friend of them. These benefits may be financial or non-financial, direct or indirect, through family connections or personal associations, or otherwise. Acadian Personnel have a conflict of interest if they are involved in any activity that prevents them from performing their Acadian duties objectively, or that may create, a situation that would affect their judgement or ability to act in the best interests of Acadian. For example, Acadian Personnel should not have a significant interest in a business that supplies goods to, or buys goods from, Acadian.

Conflicts of interest are prohibited as a matter of policy, except as may be approved by the Board of Directors of the Corporation. Conflicts of interest may not always be clear-cut. If you have a question, you should consult with your supervisor. Acadian Personnel who become aware of a conflict or potential conflicts should bring it to the attention of a supervisor and consult the procedures described below under “Compliance Procedures”.

CORPORATE OPPORTUNITIES

Acadian Personnel are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or positions without the consent of the Board of Directors of the Corporation and from using corporate property, information or positions for improper personal gain. No Acadian Personnel may compete with Acadian directly or indirectly. Acadian Personnel owe a duty to Acadian to advance its legitimate interests when the opportunity to do so arises.

CONFIDENTIAL INFORMATION

Acadian Personnel must keep confidential, and not use for themselves or others, all information concerning Acadian or its business or its employees that has not been disclosed to the public, unless such disclosure is authorized by a senior officer of Acadian or required by law or regulation. Information is considered to be disclosed to the public if it is in the Corporation’s annual report, annual information form, management’s discussion and analysis, management proxy circular, press releases or other communications made by senior management to the public. For example, Acadian Personnel who have access to material confidential information concerning Acadian are not permitted to use or share that information for trading purposes or for any other purpose except the conduct of Acadian’s business. All Acadian Personnel should read and abide by Acadian’s Disclosure Policy.

This non-disclosure obligation applies both during employment with Acadian, and after termination of employment or retirement.

ACCURACY OF BOOKS AND RECORDS

The books and records of Acadian must reflect all its transactions in a timely and accurate manner in order to, among other things, permit the preparation of accurate financial statements that conform to applicable legal and accounting requirements and to Acadian’s system of internal controls. All assets and liabilities of Acadian must be recorded.

All employees have a responsibility, within the scope of their positions, to ensure that Acadian accounting records do not contain any false or intentionally misleading entries. Acadian does not permit intentional misclassification of transactions as to accounts, departments or accounting records. All transactions must be supported by accurate documentation in reasonable detail and recorded in the proper accounts and in the proper accounting period.

Many employees use business expense accounts, which must be documented and recorded accurately. If employees are not sure whether a certain expense is legitimate, a supervisor or department head can provide advice. General rules and guidelines are available from the Chief Financial Officer of the Corporation.

Business records and communications often become public through legal or regulatory proceedings or the media. Acadian Personnel should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations that can be misunderstood. This requirement applies equally to communications of all kinds, including e-mails, informal notes, internal memos, and formal reports.

All employees should submit good faith questions and concerns regarding accounting, auditing or disclosure matters to his or her supervisor or to the Chair of the Audit Committee. Contact information for the Chair of the Audit Committee is noted below under "Helpful Contact Information".

COMPANY ASSETS

All Acadian Personnel should endeavour to protect Acadian assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the profitability of Acadian. Any suspected incident of fraud or theft should be reported immediately to your supervisor or department head for investigation.

The obligation of employees to protect the assets of Acadian includes Acadian's proprietary information. Proprietary information includes any information that is not known generally to the public or would be helpful to competitors of Acadian. Examples of proprietary information include intellectual property (such as trade secrets, patents, trademarks, and copyrights), business, marketing and service plans, designs, databases, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Acadian policy and could be illegal and result in civil or criminal penalties. The obligation to preserve the confidentiality of proprietary information continues even after employees cease to have a relationship with Acadian.

Acadian assets may never be used for illegal purposes.

USE OF E-MAIL AND INTERNET SERVICES

E-Mail and internet services are provided to assist Acadian Personnel in carrying out their work-only. Incidental and occasional personal use is permitted, but never for personal gain or any improper purpose. Acadian Personnel may not access, send or download any information that could be insulting or offensive to another person, such as sexually explicit messages, cartoons or jokes; unwelcome propositions; derogatory messages based on racial or ethnic characteristics; or any other message that could reasonably be viewed as harassment. Flooding Acadian's web-based system with junk mail, trivia and other non work-related items (aside from incidental and occasional personal messages as permitted by this Code) hampers the ability of the system to handle legitimate business and is prohibited.

Messages (including voicemail) and computer information sent, received or created by Acadian Personnel are considered property of Acadian and Acadian Personnel should realize that these messages and

information are not “private”. Unless prohibited by law, Acadian reserves the right to access and disclose those messages and information as necessary for business purposes. Acadian Personnel should use good judgment and not access, send, or store any information that they would not want to be seen or heard by others.

WORK ENVIRONMENT

Acadian is committed to ensuring the health and safety of its employees. Acadian Personnel must comply with applicable occupational, health and safety laws and not engage in illegal or dangerous behaviours. Acadian Personnel should report to work in a condition to perform their duties, free from the influence of illegal drugs or alcohol.

Acadian Personnel must comply with Acadian’s policy of providing an environment free of discrimination and harassment based on race, sex, sexual orientation, colour, national or ethnic origin, religion, marital status, family status, age or disability. Harassment may occur in a variety of ways and may, in some circumstances, be unintentional. Regardless of intent, such conduct is not acceptable and may also constitute a violation of human rights legislation.

COMPLIANCE WITH CODE

All Acadian Personnel will be provided with a copy of this Code. At commencement of employment and each year thereafter, each salaried employee of Acadian will be required to sign an acknowledgement in the form attached, which will be retained by the head of his or her department.

In addition, all Acadian Personnel must disclose in writing to the head of their department all activities, investments or businesses that might create, or reasonably be regarded as creating, an actual or potential conflict of interest with their duties for Acadian. Each head of a department must ensure that actions are taken so that there will be no conflicts of interest within his or her department.

WAIVERS OF THE CODE

Any waiver of this Code for executive officers or directors may be made only by the directors of the Corporation (or a committee of the Board of Directors to whom that authority has been delegated) and will be promptly disclosed as required by law or regulation.

MONITORING, REPORTING AND WHISTLE BLOWING

Management at each Acadian location must maintain procedures for preventing and detecting violations of law and Acadian’s policies. At each location, the human resources manager is responsible for overseeing compliance with these procedures. All complaints will be separately documented and shall include a report that contains a complete description of the allegation(s), the action taken (including investigation and/or disciplinary action), the status of the file as pending or closed and, if closed, a statement describing the final disposition of the case. A summary of such documentation with respect to each complaint shall be forwarded to the Chief Financial Officer on a regular basis. The Chief Financial Officer will report to the Audit Committee quarterly on all complaints received.

Acadian Personnel with a good faith concern about any violation of law or this Code should report those concerns, in most cases, to his or her immediate supervisor. However, if the person making the report considers that the supervisor is not the appropriate individual to address the matter, or if the supervisor is not dealing with the issues raised in an appropriate manner, he or she should report the matter to the Chief Financial Officer of the Corporation. Similarly, if the person making the report believes that the Chief Financial Officer is not the person to address the matter or if he or she is not satisfied with the response from the Chief Financial Officer, he or she should advise the Chair of the Audit Committee.

If you are not comfortable with any of the above options, you can also call the Acadian Timber Corp. Ethics Hotline at 1-844-390-0006 (in North America) or visit www.lighthouse-services.com/acadiantimber.

Our Ethics Hotline is managed by an independent third party called Lighthouse Services, Inc. and provides a way to anonymously report any suspected unethical, illegal or unsafe behaviour. **The Ethics Hotline is available toll free in English or French, 24 hours a day, 7 days a week.**

Confidentiality of reports received by the Audit Committee will be maintained to the fullest extent possible, except where disclosure is necessary to investigate the complaint or to take corrective action with respect to the complaint or as required by law. When possible, the Audit Committee will acknowledge receipt of a report, although it is not the intention to communicate to the person making that report the status of its review or resolution.

The Audit Committee will maintain a log of all reports that are received, tracking their receipt, investigation and resolution.

It is the policy of Acadian not to allow retaliation for reports of misconduct by others made in good faith. It is, at the same time, unacceptable to file a report knowing that it is false. All Acadian Personnel are expected to cooperate in internal investigations of misconduct.

COMPLIANCE PROCEDURES

All Acadian Personnel must work to ensure prompt and consistent action against violations of this Code or related policies and guidelines. However, in some situations it is difficult to know right from wrong. Since we cannot anticipate every situation that will arise, it is important that Acadian has a way to approach a new question or problem. These are the steps to keep in mind:

- **Make sure you have all the facts.** In order to reach the right solutions, we must be as fully informed as possible.
- **Ask yourself: What specifically am I being asked to do?** Does it seem unethical or improper? This will help you to focus on the specific question you are faced with and the alternatives you have. Use your judgment and common sense – if something seems like it might possibly be unethical or improper, it probably is.
- **Clarify your responsibility and role.** In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- **Discuss the problem with your supervisor.** This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being

brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems.

- Seek help from Corporation resources. In the rare case where it may not be appropriate to discuss an issue with your supervisor, or where you do not feel comfortable approaching your supervisor with your question, discuss it with the Chief Financial Officer of Acadian.
- You may report ethical violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. Acadian does not permit retaliation of any kind against employees for good faith reports of ethical violations.
- Always ask first, act later: If you are unsure of what to do in any situation, seek guidance before you act.

HELPFUL CONTACT INFORMATION

Chief Executive Officer

Ms. Erika Reilly
Tel: 604-661-9141
Email:
ereilly@acadiantimber.com

Chief Financial Officer

Mr. Adam Sheparsi
Tel: 506-737-3273
Email:
asheparsi@acadiantimber.com

Compensation, Nominating and Corporate Governance Committee Chairperson

Mr. Phil Brown
Tel: 212-256-1432
Email:
philbrown5050@gmail.com

Audit Committee Chairperson

Mr. Bruce Robertson
Tel: 416-816-8041
Email:
bkrobertson@yahoo.com

**If you are not comfortable speaking to your supervisor, department head or one of the persons listed above, call the Acadian Timber Corp. Ethics Hotline at 1-844-390-0006 (in North America) or visit www.lighthouse-services.com/acadiantimber.
The Ethics Hotline is available toll free in English or French, 24 hours a day, 7 days a week.**

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Acknowledgement

I acknowledge that I have received a copy of the Acadian Timber Corp. Code of Business Conduct which was adopted January 1, 2010 and amended on December 4, 2019 that I have read it and understand its contents. I acknowledge and accept that my continued employment by Acadian may be dependent upon my compliance with its rules as set forth in the Code of Business Conduct.

I understand that this Code of Business Conduct may be amended, modified or terminated at any time, and that Acadian retains the right to apply the provisions of the Code of Business Conduct with flexibility as it alone deems appropriate. I also understand that I have an obligation to report any violation of these rules in the manner set forth in the Code of Business Conduct. I understand that failure to adhere to this Code of Business Conduct may lead to corrective action, up to and including termination of employment for cause.

Signature of employee

Title:

Date

Location