

IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
THE PROVINCES OF BRITISH COLUMBIA, ALBERTA,  
SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC, NOVA SCOTIA  
AND NEWFOUNDLAND AND LABRADOR

AND

IN THE MATTER OF  
THE MUTUAL RELIANCE REVIEW SYSTEM  
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF  
FLETCHER CHALLENGE FORESTS LIMITED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and Newfoundland and Labrador (the "Relevant Jurisdictions") has received an application (the "Application") from Fletcher Challenge Forests Limited (the "Issuer") for a decision under the securities legislation of each of the Relevant Jurisdictions (the "Legislation") that the Issuer be deemed to have ceased to be a reporting issuer in each of the Relevant Jurisdictions;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "MRRS"), the British Columbia Securities Commission is the principal regulator for the Application;

AND WHEREAS The Issuer has represented to the Decision Makers as follows:

1. the Issuer is a corporation governed by the laws of New Zealand. Its registered office is located at 8 Rockridge Avenue, Penrose, Auckland, New Zealand; general information regarding the Issuer can be found on its website at [www.fcf.co.nz](http://www.fcf.co.nz);
2. as at March 6, 2002, the issued capital of the Issuer consisted of 929,507,897 Ordinary Shares and 1,859,015,794 Preference Shares held by a total of approximately 38,500 shareholders; the Ordinary Shares and Preference Shares are traded in the United States in the form of American Depositary Shares (ADSs); the Ordinary Shares and Preference Shares are listed on The New Zealand Stock Exchange and The Australian Stock Exchange and the ADSs are listed on The New York Stock Exchange; there are no other securities of the Issuer, including debt securities, currently outstanding;

3. as at March 6, 2002 there were approximately 112 registered holders of Ordinary Shares and Preference Shares in Canada holding an aggregate of 397,268 Ordinary Shares and 466,402 Preference Shares representing approximately 0.043% and 0.025%, respectively, of the total number of issued and outstanding Ordinary Shares and Preference Shares; the following is a list of the number of registered holders of Ordinary Shares and Preference Shares resident in each of the Relevant Jurisdictions:

Alberta	6
British Columbia	51
Manitoba	1
Newfoundland	3
Nova Scotia	2
Ontario	38
Quebec	6
Saskatchewan	3

4. in November 1994, the Ordinary Shares of the Issuer were voluntarily delisted from The Toronto Stock Exchange; none of the Ordinary Shares, Preference Shares or any other outstanding securities of the Issuer are listed or quoted on any exchange in Canada;

5. the Issuer became a reporting issuer on June 1987 in the Relevant Jurisdictions when a prospectus was filed for an offering of exchangeable shares by a wholly-owned Canadian subsidiary of the Issuer; the Issuer is currently a reporting issuer in each of the Relevant Jurisdictions and is not in default of any of the requirements of the Legislation;

6. following a number of reorganizations, in 2000 and 2001, the Issuer divested three of its four operating divisions. Following these divestitures, the Issuer no longer had any significant business or assets in Canada;

7. the Issuer is subject to the provisions of the United States *Securities Exchange Act* of 1934, the rules and regulations of The New York Stock Exchange, The New Zealand and Australian Stock Exchanges and applicable New Zealand securities and corporate law;

8. resident Canadian holders of Ordinary Shares and Preference Shares will receive all the materials that are mailed to holders of shares in New Zealand, Australia and several other jurisdictions, including, but not limited to, annual reports, semi-annual reports and proxy solicitation materials; these materials are substantially similar to those materials required to be delivered by reporting issuers under the Legislation;

9. the Issuer's management, assets and business are primarily located in New Zealand and its business is conducted outside of Canada; and

10. the Issuer has no present intention of seeking public financing by way of an offering of its securities in Canada.

AND WHEREAS under MRRS, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the Issuer is deemed to have ceased to be a reporting issuer in the Relevant Jurisdictions.

July 2, 2002.

"Brenda Leong"

Headnote:

Mutual Reliance Review System for Exemptive Relief Applications – issuer deemed to cease to be a reporting issuer. Issuer's securities are publicly traded, but not on any market in Canada. Canadian shareholders hold less than 10% of the issued and outstanding shares and will continue to receive foreign jurisdiction continuous disclosure documents

Applicable British Columbia Provisions  
*Securities Act*, R.S.B.C. 1996, c. 418, s. 88