

Investor Presentation

November 26, 2018

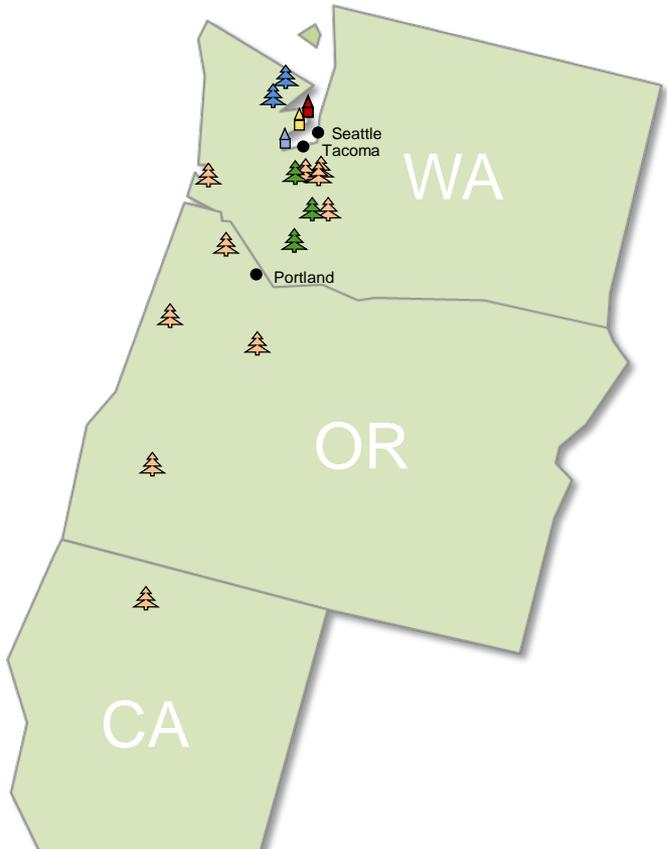


Safe Harbor Statement

This presentation contains forward-looking statements, which are subject to various risks and should not be relied upon as predictions of future events or promises of a given course of action. Some of the forward-looking statements include statements about our future distribution yield and the related effects of federal tax law, our sustainable harvest levels, our future private equity fund activities, our estimates for future remediation costs and environmental liabilities at Port Gamble, transportation patterns and other factors that affect our real estate values, and our expectations about the time and costs of completing real estate sales. A number of important factors could cause actual results to differ materially from those described in the forward-looking statements. Some of these factors include environmental issues affecting our properties and our ability to anticipate the actions of regulators, environmental groups, and other parties that might affect our remediation efforts; changes in forestry, land use, environmental, and other governmental regulations; risk of loss from fires, insect infestations, or tree diseases; changes in economic conditions and competition in our domestic and export markets; and other factors described from time to time in our filings with the Securities and Exchange Commission. In particular, readers should consider those risk factors that are detailed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2018. Forward-looking statements speak only as of the date made, and neither Pope Resources nor its management undertakes any obligation to update or revise any forward-looking statements.

Pope Resources Overview

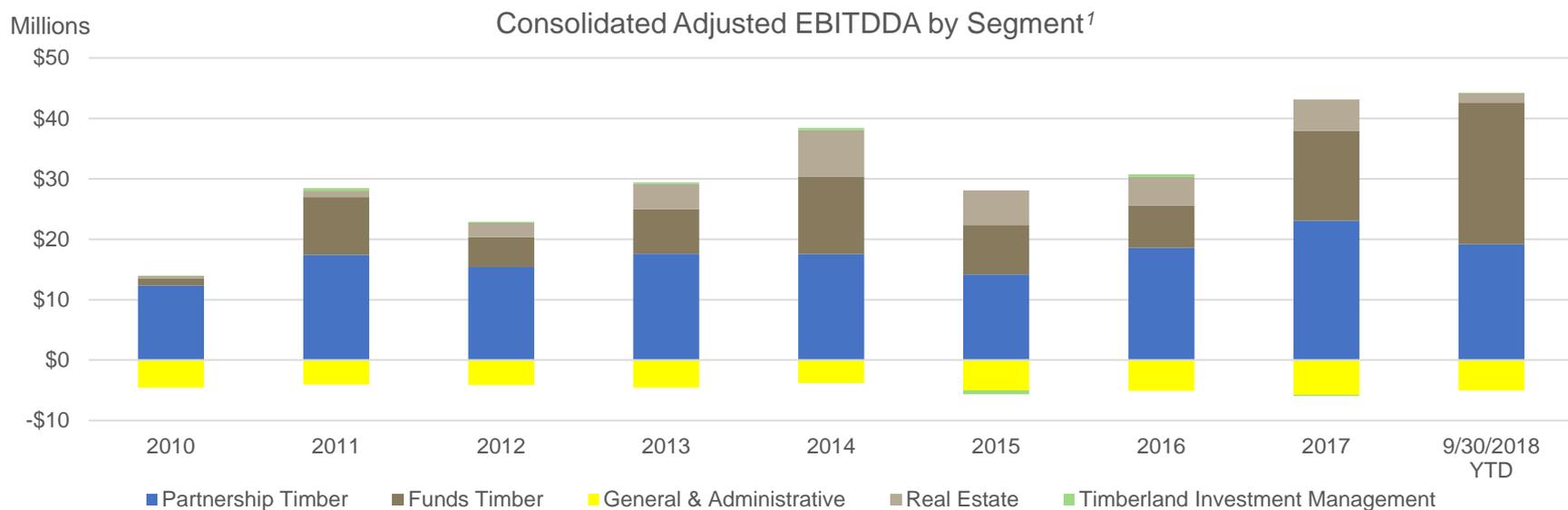
- Publicly traded master limited partnership (NASDAQ: POPE)
- 160-year history through its predecessor (Pope & Talbot) of owning and managing timberlands and development properties in the Pacific Northwest (PNW), our area of focus and expertise
- Partnership portfolio: 120,000 acres of timberland and 2,100 acres of development property in Washington
- Three timber funds: 134,000 acres of timberland in Washington, Oregon, and California
- Four complementary business segments working together to maximize the value of our timberland and real estate assets
- Units offer opportunity to realize an attractive distribution yield (currently at ~5.5%) that produces favorable after-tax returns attributable to MLP structure



Timberland	Real Estate
 Hood Canal Tree Farm	 Harbor Hill (Gig Harbor)
 Columbia Tree Farm	 Port Gamble
 Fund Tree Farms	 Arborwood

PNW Focused Timberland and Real Estate Company

Segments	Partnership Timber	Funds Timber	Timberland Investment Management	Real Estate
Description	Direct ownership and management of 120,000 acres of Partnership timberlands in western Washington	Co-investment and on-the-ground management of 134,000 acres of Fund timberlands	Investment management of three private equity timber funds with total assets under management of \$522 MM	2,100 acres (including 1,100 entitled lots) of development & commercial properties in west Puget Sound
2017 Adjusted EBITDDA¹	\$23.1 MM	\$14.9 MM	(\$0.2) MM	\$5.2 MM
9/30/2018 YTD Adjusted EBITDDA	\$19.2 MM	\$23.5 MM	\$0.1 MM	\$1.6 MM

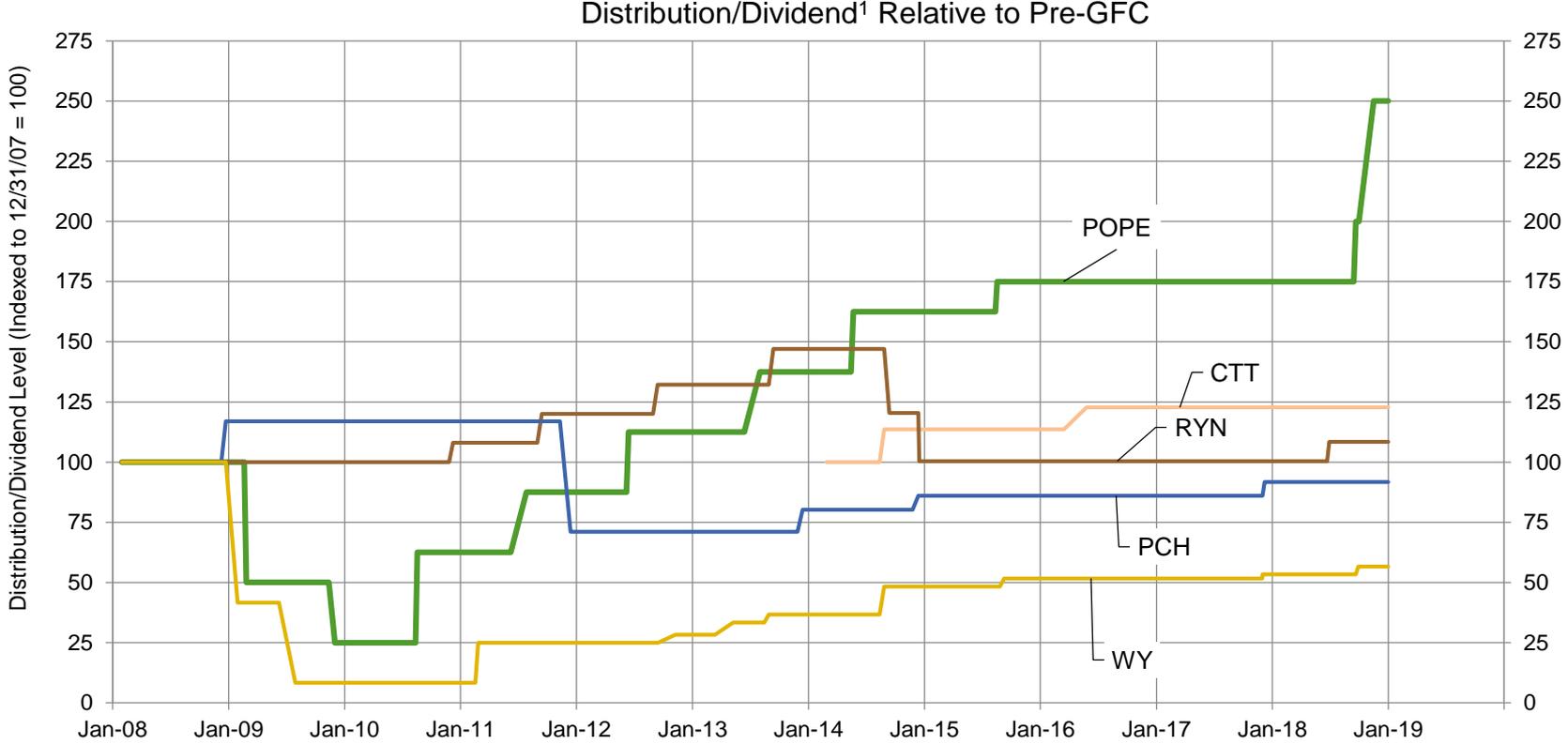


¹See Glossary of Terms in Appendix A for definition of non-GAAP "Adjusted EBITDDA".

Strong Recovery in Distribution since GFC

Units offer opportunity to realize an attractive distribution yield that produces favorable after-tax returns attributable to MLP structure

- Distribution is currently at annual rate of \$4.00 per unit (~5.5% yield)
- A 10x increase since the Global Financial Crisis (GFC)



¹Excludes WY's special dividend of \$26.42 upon REIT conversion in July 2010, RYN's special dividend of \$0.50 upon RYAM spinoff in July 2014, and PCH's special dividend of \$3.54 in November 2018 following DEL merger.



MLP Structure: Attractive After-Tax Yields

- Capital gains and ordinary losses are passed through to an MLP owner and beneficially impact that owner's income at different tax rates
- The appreciated value of sold timber is reported as income that is taxed at capital gain rates; depending on the owner's tax situation, that capital gain rate will range from 0% to 20%
- Remainder of business activity generally reported as an ordinary loss, which can offset other forms of ordinary income (like W-2 wages) and result in an overall lower effective tax rate to a unitholder
- REITs do not enjoy the rate arbitrage provided by POPE via the passthrough of ordinary losses; instead REITs are only taxed on the characterization of its dividend

	Tax Impact of POPE Units to an Individual			Proforma Tax Impact as a REIT		Est'd MLP Tax Savings vs. REIT
	2017 Tax Year	Top Tax Rate ²	Tax (Cost)/Benefit	Top Tax Rate	Tax (Cost)/Benefit	
Pope Resources K-1 (per unit) ¹						
Ordinary loss	(\$4.26)	37.0%	\$1.58			
Capital gain-timber	4.71	20.0%	(0.94)			
Capital gain-land	1.86	20.0%	(0.37)			
Interest income	-	37.0%	-			
Total	\$2.31		\$0.26	20.0%	(\$0.46)	\$0.72

¹Income components provided above are at an aggregate level. Each unitholder's allocation of income will be different depending on the date and price at which POPE units were purchased.

²Rates in this column reflect our current understanding of the interplay between 2018 Federal income tax rates and pass-through entity deductions. Federal income tax rates presented are the highest ordinary (37%) and long-term capital gain (20%) rates. Certain individuals may be subject to an additional 3.8% Net Investment Income Tax, which is not shown above. Taxpayers should seek independent advice from a tax professional, as these materials are provided for general informational purposes only.



Partnership Timber / Funds Timber

Strategy

Long-term value creation from PNW timberlands through active management and disciplined acquisitions to optimize the overall portfolio



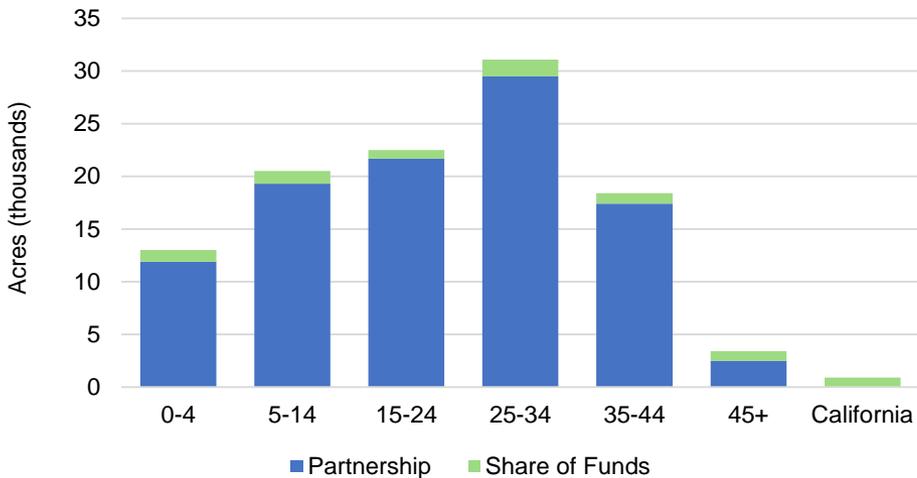
Highlights

- Thoughtful growth through co-investment in our private equity timber funds and small tract acquisitions
- Partnership annual sustainable harvest of 52 million board feet (MMBF), with additional opportunistic harvest in response to markets
- Access to diverse log markets throughout the PNW

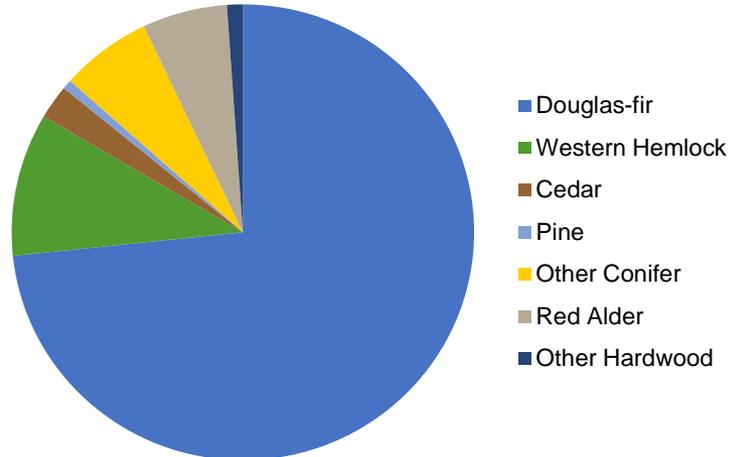
Timber Portfolio Overview

	Partnership Timber	Funds Timber	Look-through ¹
Acres	120,000	134,000	136,000
Average Site Index (DF 50)	113'	109'	111'
2017 Adjusted EBITDDA¹	\$23.1 MM	\$14.9 MM	\$24.7 MM
9/30/2018 YTD Adjusted EBITDDA	\$19.2 MM	\$23.5 MM	\$22.2 MM

Look-through Net Acres by Age Class²



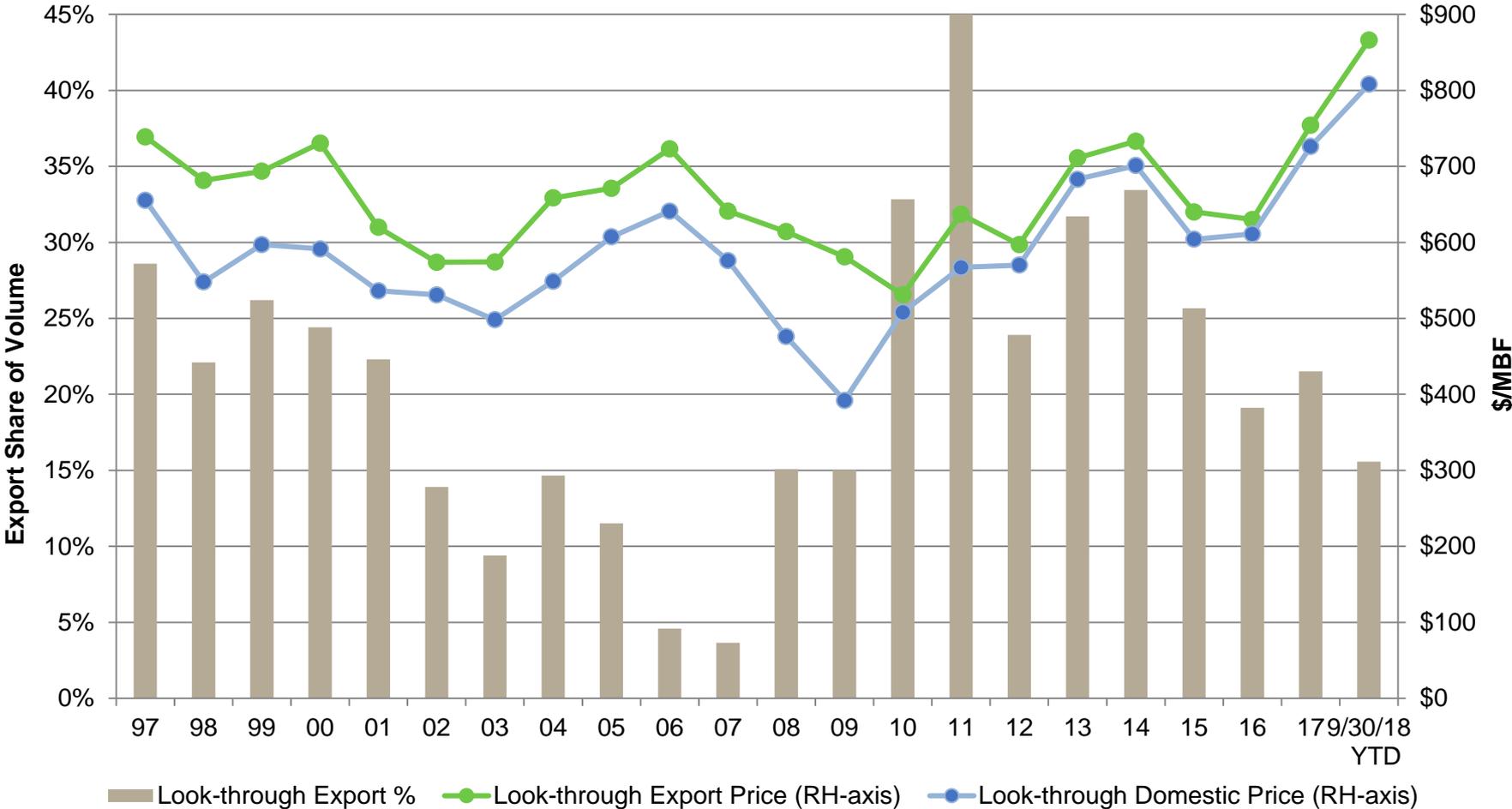
Look-through Merchantable Volume by Species²



¹See Glossary of Terms in Appendix A for definition of non-GAAP “Adjusted EBITDDA” and “Look-through”.
²As of 12/31/17. Does not include 2018 Fund IV acquisitions which added, on a look-through basis, 5,800 net acres and 35 MMBF of merchantable volume.

Log Market Diversification

- Domestic market is driven by lumber demand from continued housing recovery and repair and remodel activity
- Export sales provide market diversification for Douglas-fir and whitewood sawlogs

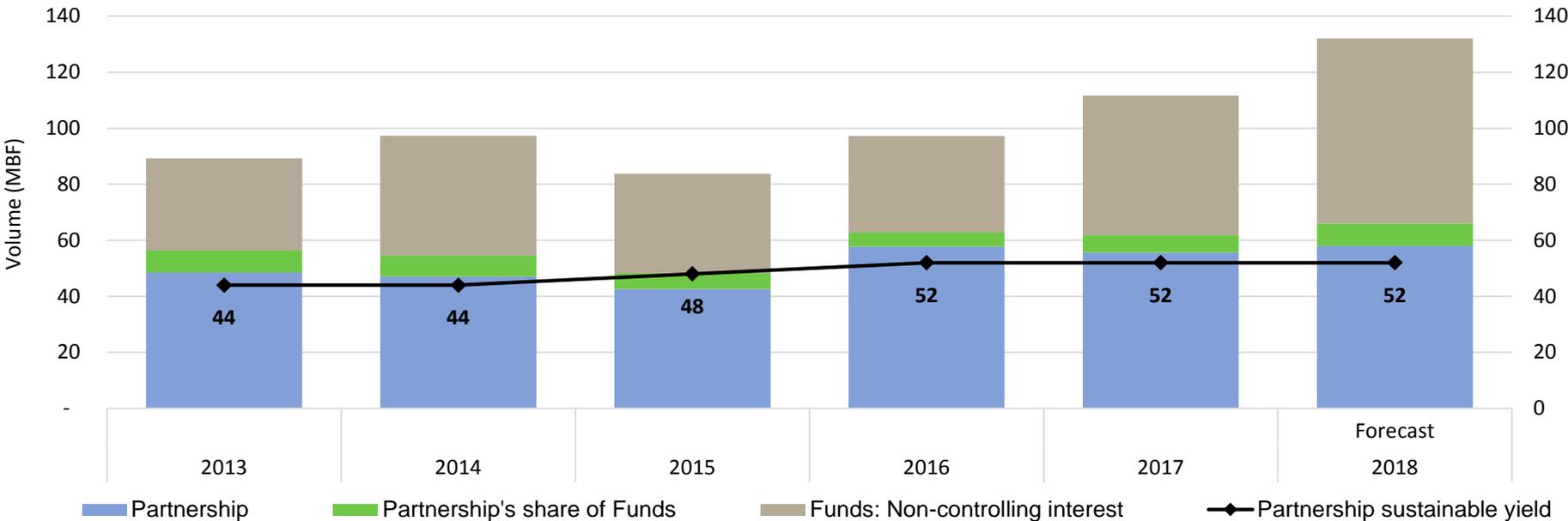


Source: POPE



Increasing Sustainable Harvest from Acquisitions

- 7,300-acre Carbon River tree farm acquisition in 2016 resulted in 4 MMBF increase in sustainable yield to 52 MMBF on Partnership timberlands
- Additional volume from small tract acquisitions and Real Estate portfolio (4 MMBF in 2017, and 6 MMBF projected in 2018) allow us to respond to market conditions without impacting long-term harvest levels
- Partnership's share of harvest from Funds' timberlands adds significant volume (6 MMBF in 2017, and 8 MMBF projected in 2018)



Partnership Small Tract Acquisitions

- Acquisitions increase Partnership land base, sustainable yield, and improve age class profile
- Part of repositioning portfolio out of north Kitsap County
- Use of tax-efficient 1031 exchange funds
- Six acquisitions through September 30, 2018 totaling 1,342 acres for \$7.2 million, or \$5,343 per acre
- Acquired the Carbon River tree farm which consists of 7,324 acres for \$31.9 MM in 2016

16 Small Tract Acquisitions (excluding Carbon River) 2014-2017	
Gross acres	5,868
Purchase price	\$20.5 MM
\$/acre	\$3,470
Merchantable volume	83%
Cash yield	\$6.9 MM
Cash-on-cash return	34%
Average real discount rate	6.4%

Timberland Investment Management

Strategy

Sponsor, co-invest, and manage private equity vehicles holding a diverse portfolio of high-quality PNW timberland while improving the Partnership's economies of scale and generating recurring fee revenue



Highlights

- \$3.3 MM in annual recurring asset management fee revenue
- \$522 MM in assets under management across 134,000 acres in Washington, Oregon, and northern California
- \$241 MM of committed capital remaining

Private Equity Timber Funds

(\$ in millions)	Timber Funds	Partnership Share of Funds
Current acres	134,000	16,000
Location	Washington, Oregon, California	Washington, Oregon, California
Cumulative paid-in capital ¹	\$410	\$48
Cumulative distributions ¹	\$99	\$16
Current value (AUM)	\$522	\$62
Current Fund debt	\$57	\$7
Carried interest ²	(\$10.6)	\$10.6
Remaining committed capital	\$241	\$36
IRR ³	6.9%	9.4%

Through an alignment with like-minded timberland investors, we have been able to leverage our expertise in the PNW to:

- Diversify the Partnership land base across geographies, log markets, and time periods
- Create economies of scale in management of the Partnership assets
- Dramatically improve our acquisition and retention of talent

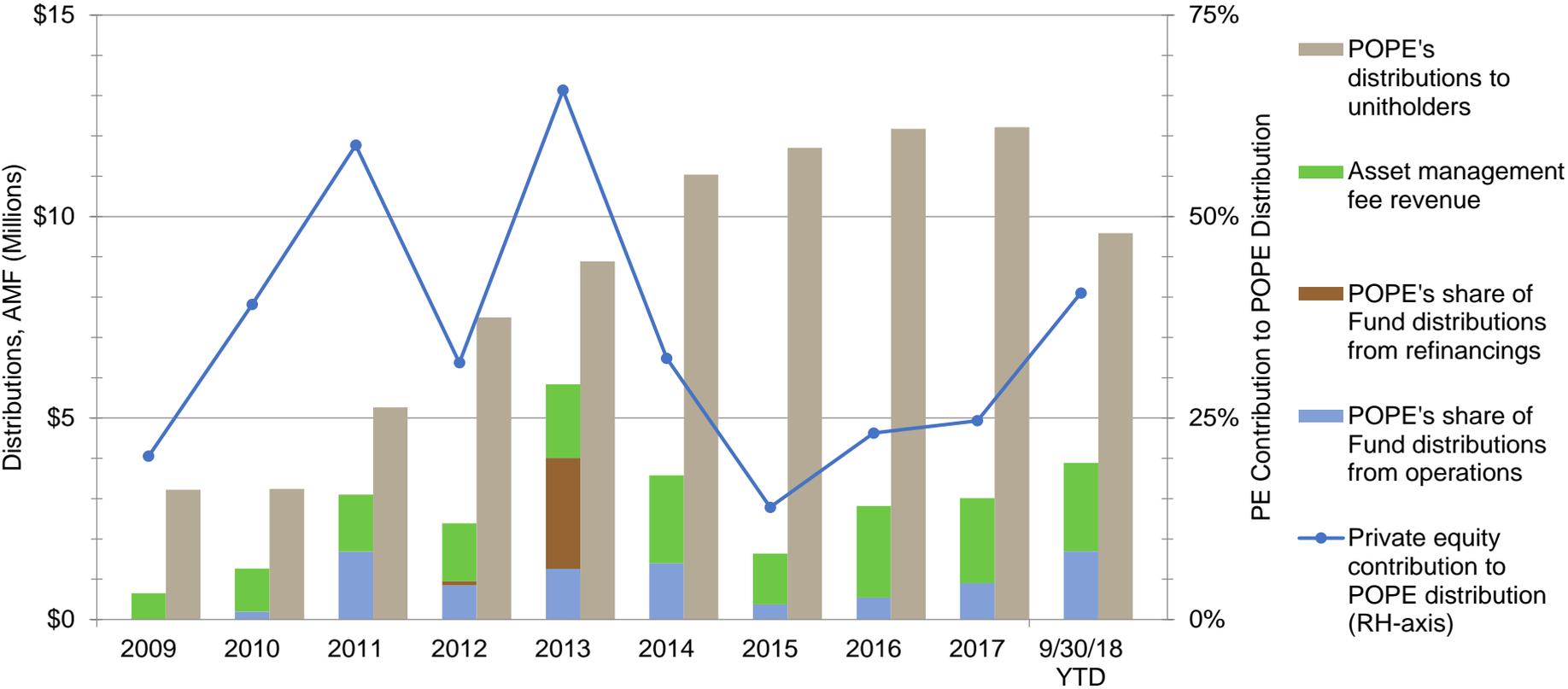
¹Of current Funds (II, III, IV) as of 10/31/18

²Carried interest is not paid to POPE until the investors have received, in cash, all of their paid-in capital plus a preferred return annualized. This is unlikely to happen until a timber fund's properties are sold and the proceeds are distributed to investors. \$10.6 million represents the carried interest that would have been due to POPE had the Fund II properties been sold on 9/30/18 at their appraised value. The Fund II term does not end until March 2021.

³Includes Fund I which sold its assets in 2014

Significant Cash Flow Contribution from Funds

- Current portfolios for Funds II, III, and IV generate \$3.3 MM of annual asset management fee (AMF) revenue on \$522 MM of assets under management (AUM)
- These fees, combined with distributions from co-investments in Funds, represent a meaningful source of POPE’s distribution to unitholders



Drawdown of ORM Timber Fund IV

ORM Timber Fund IV is a club account structure with four long-term institutional timberland investors plus the Partnership's co-investment totaling \$388 million of committed capital

- Drawdown period of 3 to 5 years started January of 2017
- Investment term is 15 years following the end of the drawdown period

Successfully placed \$146 million of committed capital in three PNW timberland properties in 2018

- 20,000 acres of timberland in southern Oregon which is expected to generate strong cash flow over the next five years
- 26,000 acres (in two separate transactions) of timberland in western Washington with great access to domestic and export markets will also produce strong cash flows in the near-term

Under contract to purchase 7,100 acres in south-central Washington, scheduled to close in January 2019

Actively working to place remaining \$241 million of committed capital, including Pope Resources' \$36 million co-investment, in PNW timberland

Real Estate

Strategy

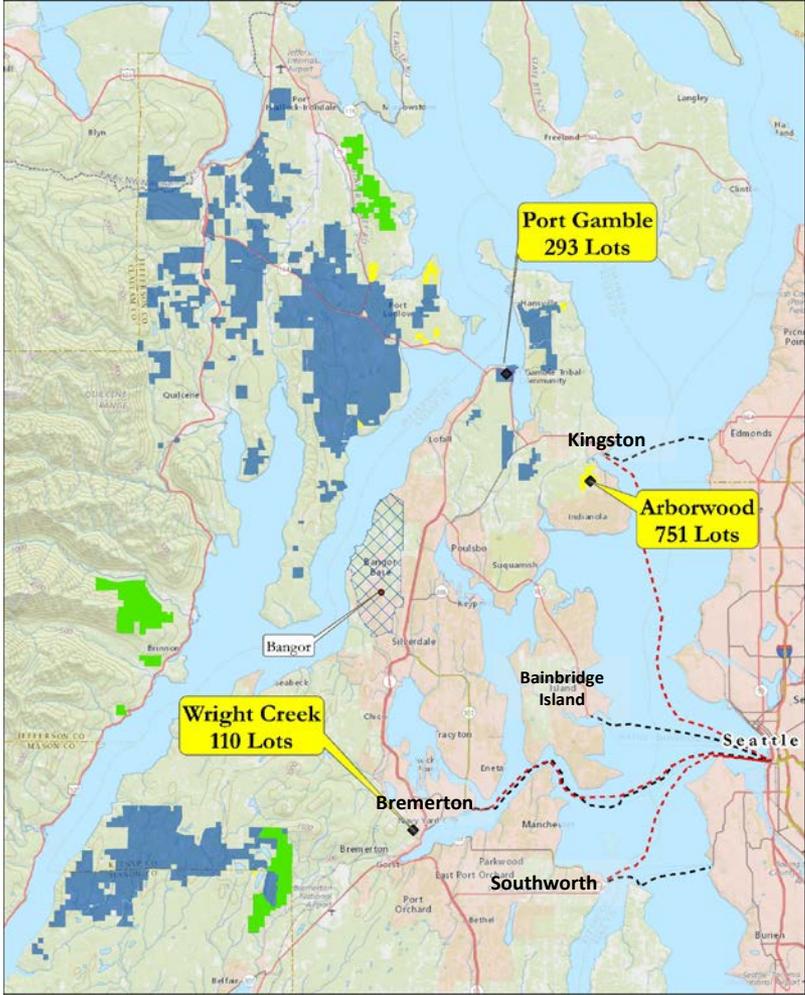
Leverage expertise and reputation to create and harvest value of Real Estate portfolio through diverse entitlement and development strategies



Highlights

- Enjoying proximity to the most robust real estate market in the nation
- Harbor Hill development sunsetting with last phase of residential lots under construction and sale of Village Center in process
- Pipeline of development projects within a 30-minute ferry ride from downtown Seattle includes over 1,100 lots and first joint venture development project

Proximity to Seattle Housing Market



New ferry connecting west Puget Sound to Seattle

- 2016 ballot initiative created three new 30-minute commuter runs
- Bremerton route is running; Kingston route started service on November 26, 2018; Southworth in 2020
- Significant impact to three Partnership development projects within a 30-minute ferry ride from downtown Seattle
- Increases development potential of Partnership timberland holdings in west Puget Sound

Key Real Estate Projects

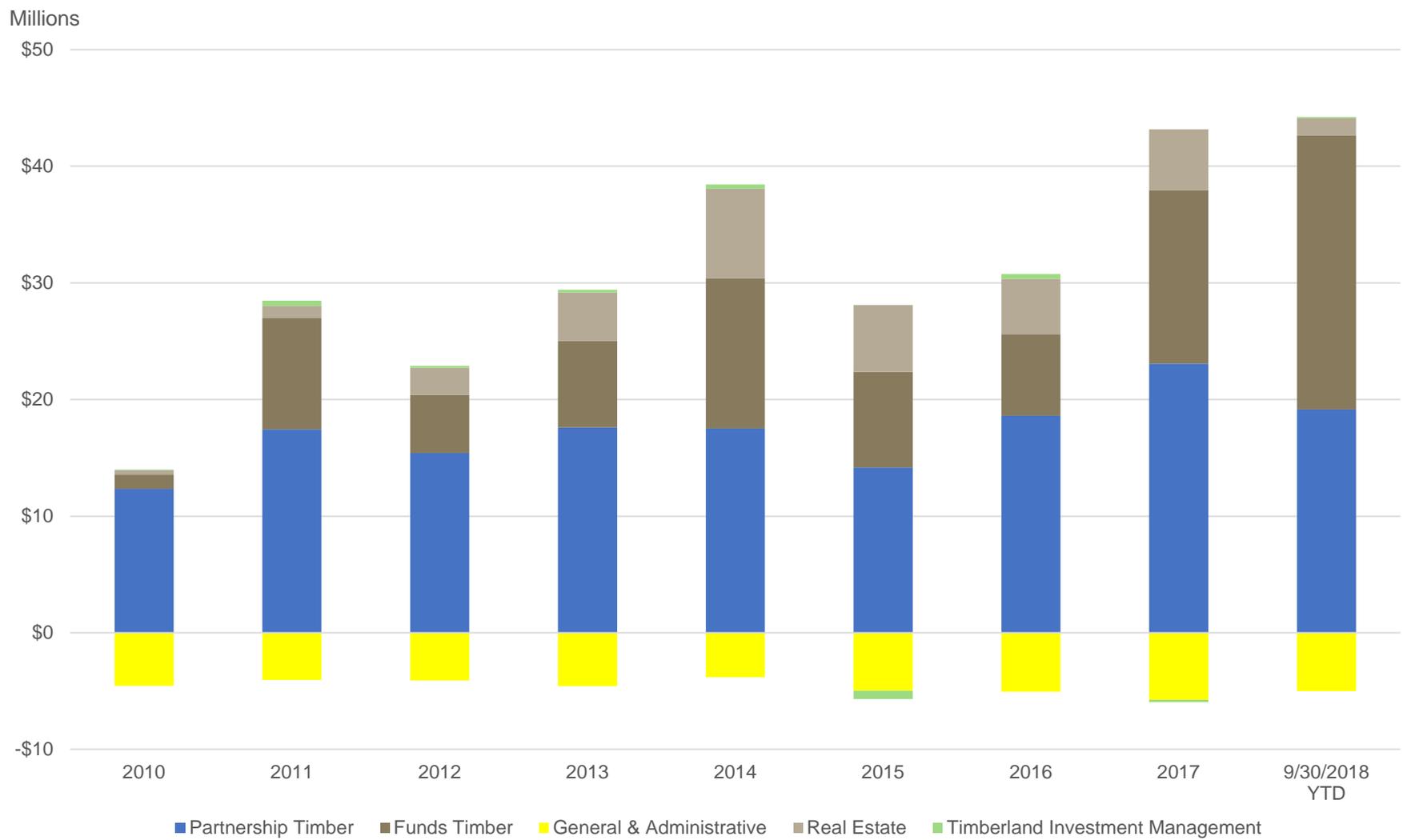
Project	Harbor Hill	Arborwood	Port Gamble	Conservation
Location	Gig Harbor, Washington	Kingston, Washington	Port Gamble, Washington	Western Washington
Description	330-acre mixed-use, multi-phased master planned community	360-acre master planned community 1-2 miles from planned Kingston passenger ferry	Historic company town in a 350-acre redevelopment site in close proximity to planned Kingston passenger ferry	Conservation easements and sales
Zoning/Uses	Commercial and residential	750 residential units; 20,000 sf commercial	290 residential units; 100,000 sf commercial	Varies
Approval Status	Master approvals obtained	Master approval obtained	Master plan submitted; plan revisions in process	Ongoing efforts to source and negotiate opportunities
Other	Final residential phase of 65 lots under construction; sale and/or development of Village Center in process	Phase 1 engineering to be completed in 2018 with lot construction of Phase 1 expected in 2020	In-water portion of required millsite clean-up complete, putting largest portion behind us and paving the way for future development of townsite.	27,700 acres of conservation easements and 10,000 acres of conservation land sales have generated revenue of \$59 MM since 1998

Bainbridge Landing



- Joint venture (JV) project consists of 107 apartments and 25 townhomes
- JV partner providing debt guarantee
- Construction loan closed December 2017
- Walking distance to Bainbridge Island ferry, which takes 35 minutes to reach downtown Seattle
- Project capitalization (\$40.9 MM)
 - \$1.8 MM: Partnership equity
 - \$5.9 MM: Third-party equity
 - \$7.7 MM: JV partner equity
 - \$25.5 MM: Construction loan
- Construction expected to be completed in 2019

Consolidated Adjusted EBITDDA¹ by Segment



¹See Glossary of Terms in Appendix A for definition of non-GAAP "Adjusted EBITDDA".

Consolidated vs. Look-Through Financials

- “Partnership” represents the Partnership on a stand-alone basis, which consists of
 - Ownership and operation of the Hood Canal and Columbia tree farms
 - Management of the Funds (but not the ownership or operation thereof)
 - Ownership and operation of the real estate assets
- “Consolidated” represents the ownership and operation of everything owned by the Partnership and the Funds
 - Fee revenue earned by the Partnership and corresponding fee expense of the Funds are eliminated in consolidation
 - The portion of these intercompany fees that are paid by third parties, and thus benefit the Partnership’s unitholders, are added back to income as part of the *“Net and comprehensive (income) loss attributable to noncontrolling interests – ORM Timber Funds”* line of the income statement
 - Partnership’s share of Fund distributions is eliminated on statement of cash flows, but these distributions are very real and serve to add to the Partnership’s cash balance and/or reduce the Partnership’s debt balance
 - This presentation is arguably confusing, but required under U.S. GAAP
- “Look-through” represents the Partnership on a stand-alone basis plus the Partnership’s 20% share of Fund II, 5% share of Fund III, and 15% share of Fund IV

Financial Results 9/30/2018 YTD and 2017

(\$ in millions)	9/30/2018 YTD			2017		
	Partnership ¹	Consolidated ¹	Look-through ¹	Partnership	Consolidated	Look-through
Volume (MMBF)	41.0	101.6	48.4	55.6 ²	111.6	61.8
Revenue	\$44.3	\$80.9	\$48.2	\$70.1	\$99.8	\$73.7
Net income	\$7.8	\$11.0	\$8.6	\$15.4	\$24.4	\$17.9
Cash flow from ops	\$13.9	\$29.9	\$15.8	\$20.0	\$32.0	\$21.3
Adjusted EBITDDA ¹	\$15.9	\$39.2	\$18.8	\$22.4	\$37.2	\$23.9
CAD ¹	\$12.0	\$26.8	\$13.8	\$18.6	\$29.5	\$19.7

¹See Glossary of Terms in Appendix A for definition of “Partnership”, “Consolidated”, “Look-through”, “Adjusted EBITDDA, and “CAD”.

²The Partnership’s sustainable annual harvest volume is 52 MMBF. The additional volume during 2017 was the result of recently purchased small tract acquisitions. Merchantable volume on these small tract acquisitions (or an equal amount of volume on existing ownership) is harvested shortly after acquisition, and then the acres from the small tract acquisitions are rolled into the next iteration of our long-term harvest plan where we calculate sustainable annual harvest volume.

Pope Resources & Funds' Debt

- On October 16, Pope Resources expanded its credit facilities with Northwest Farm Credit Services to \$144 million, plus a \$50 million accordion; \$89.9 million outstanding at closing
- On October 30, Pope Resources locked in fixed rates on \$24 million of previously floating-rate debt, resulting in a 72% fixed-rate / 28% floating-rate mix at a weighted average net interest rate of 3.91%

<i>As of September 30, 2018</i>	Partnership²	Funds	Look-through²
Total debt (millions) ¹	\$89.9	\$57.4	\$96.6
Interest rate ³	3.61%	4.02%	3.65%
Collateral	56,000 acres of Partnership's 120,000-acre portfolio	63,000 acres of the Funds' 124,000 acres of timberland	N/A no cross collateralization

¹Gross of unamortized loan fees.

²See Glossary of Terms in Appendix A for definition of "Partnership" and "Look-through".

³Interest rates reflect weighted averages and are net of patronage.

Takeaways

- 100% PNW geographic focus; highest value timberland in North America; **diverse log markets**
- Units offer **opportunity to own real assets** that generate attractive distribution yield
- MLP structure produces **favorable after-tax returns** for unitholders

Appendix A

Financials

Pope Resources Consolidating Balance Sheet

(in millions)

September 30, 2018

	A	B C		B + C	D	A + B + C + D	- C	A + B + D
	Partnership	Partnership	NCI	Total	Eliminations	Consolidated	NCI	Look-through
Assets		Funds, RE JV						
Cash & restricted cash	\$1.8	\$0.6	\$5.0	\$5.6		\$7.4	(5.0)	\$2.4
Land held for sale	5.0	—	—	—		5.0	—	5.0
Other current assets	5.0	0.9	7.0	7.9	(0.9)	12.0	(7.0)	5.0
Timber & roads	73.3	30.1	252.6	282.7		356.0	(252.6)	103.5
Timberlands	19.7	5.6	43.8	49.4		69.1	(43.8)	25.3
Land held for development	20.8	—	—	—		20.8	—	20.8
Buildings & equipment, net	5.5	—	—	—		5.5	—	5.5
Other assets	33.9	2.2	4.4	6.6	(31.7)	8.9	(4.4)	4.4
Total assets	\$165.1	\$39.4	\$312.8	\$352.2	(\$32.6)	\$484.7	(\$312.8)	\$171.9
Liabilities & Equity								
Current liabilities (excl. current portion of long-term debt)	\$7.2	\$0.4	\$3.2	\$3.6	(\$0.9)	\$9.9	(\$3.2)	\$6.7
Total debt (current and long-term)	89.6	7.0	50.3	57.3		146.9	(50.3)	96.6
Other liabilities	4.7	—	—	—		4.7	—	4.7
Total liabilities	101.5	7.4	53.5	60.9	(0.9)	161.5	(53.5)	108.0
Partners' capital	63.5	32.0	259.3	291.2	(31.7)	323.1	(259.3)	63.9
Total liabilities & partners' capital	\$165.1	\$39.4	\$312.8	\$352.2	(\$32.6)	\$484.7	(\$312.8)	\$171.9

Pope Resources Consolidating Income Statement

(in millions)

	Nine Months Ended September 30, 2018										
	A	B			C	B+C	D	A+B+C+ D	- C	E	A+B+D+E
	Partnership	Funds			NCI	Total	Eliminations	Consolidated	Reclass*	3rd Party	Look-
		Partnership	NCI	Total						Fees**	through
Revenue	\$44.3	\$5.0	\$35.7	\$40.7	(4.1)	\$80.9			(\$35.7)	3.0	\$48.2
Cost of sales	(14.9)	(3.3)	(25.5)	(28.8)		(43.6)			25.5		(18.1)
Operating expenses	(16.7)	(0.8)	(6.1)	(6.9)	4.1	(19.4)			6.1	(3.0)	(16.4)
Environmental remediation	(2.9)	—	—	—		(2.9)			—		(2.9)
Operating income	9.9	1.0	4.1	5.1	—	14.9			(4.1)	—	10.8
Net interest expense	(2.0)	(0.2)	(1.5)	(1.7)		(3.7)			1.5		(2.2)
Income tax expense	(0.1)	—	(0.2)	(0.2)		(0.2)			0.2		(0.1)
Net income	\$7.8	\$0.7	\$2.4	\$3.2	—	\$11.0			(2.4)	—	\$8.6
Net (income) loss attributable to noncontrolling interests (NCI)									\$2.4		—
Net income attributable to unitholders						\$8.6			\$—		\$8.6
Basic and diluted weighted average units outstanding											4.319
Basic and diluted earnings per unit											\$1.96

* Reclassifying the NCI portion of operations from the Funds to the appropriate income statement lines

** Represents 80% of Fund II, 95% of Fund III, and 85% of Fund IV fees paid by third party investors

Pope Resources Consolidating Statement of Cash Flows

(in \$millions)

	Nine Months Ended September 30, 2018						
	A	B	C	B + C	A + B + C	- C	A + B
	Partnership	Funds, RE JV			Consolidated	NCI	Look-through
		Partnership	NCI	Total			
Cash flows from operating activities:							
Net income (loss)	\$7.8	\$0.7	\$2.4	\$3.2	\$11.0	(\$2.4)	\$8.6
Depletion	2.8	2.0	16.3	18.3	21.1	(16.3)	4.8
Depreciation and amortization	0.4	—	—	—	0.4	—	0.4
Equity-based compensation	0.9	—	—	—	0.9	—	0.9
Cost of land sold	1.4	—	—	—	1.4	—	1.4
Capitalized development activities	(2.2)	—	—	—	(2.2)	—	(2.2)
Environmental remediation accrual	2.9	—	—	—	2.9	—	2.9
Environmental remediation cash spend	(1.1)	—	—	—	(1.1)	—	(1.1)
Changes in working capital	0.9	(0.8)	(4.6)	(5.4)	(4.6)	4.6	—
Net cash provided by (used in) operating activities	\$13.9	\$1.9	\$14.1	\$16.0	\$29.9	(\$14.1)	\$15.8
Cash flows from investing activities:							
Capital expenditures	(\$1.9)	(\$0.2)	(\$1.1)	(\$1.3)	(\$3.1)	\$1.1	(\$2.0)
Investment in unconsolidated real estate joint venture	—	—	—	—	—	—	—
Acquisition of timberland	(6.4)	(16.2)	(92.2)	(108.4)	(114.7)	92.2	(22.6)
Net cash provided by (used in) investing activities	(\$8.2)	(\$16.4)	(\$93.3)	(\$109.6)	(\$117.8)	\$93.3	(\$24.6)
Cash flows from financing activities:							
Line of credit borrowings	\$27.3	\$—	\$—	\$—	\$27.3	\$—	\$27.3
Line of credit repayments	(7.8)	—	—	—	(7.8)	—	(7.8)
Unit repurchases	(0.9)	—	—	—	(0.9)	—	(0.9)
Distributions paid	(9.6)	(1.6)	(11.2)	(12.8)	(22.4)	11.2	(11.2)
Distributions received	1.6	—	—	—	1.6	—	1.6
Proceeds from capital call	(16.2)	16.2	92.3	108.5	92.3	(92.3)	—
Net cash provided by (used in) financing activities	(\$5.7)	\$14.6	\$81.1	\$95.7	\$90.0	(\$81.1)	\$8.9
Net increase (decrease) in cash and restricted cash	\$—	\$0.1	\$2.0	\$2.1	\$2.1	(\$2.0)	\$0.1
Cash and restricted cash, beginning of period	1.8	0.5	3.0	3.5	5.3	(3.0)	2.3
Cash and restricted cash, end of period	\$1.8	\$0.6	\$5.0	\$5.6	\$7.4	(\$5.0)	\$2.4

Reconciliation of Non-GAAP Measures

(in \$millions)

	Nine Months Ended September 30, 2018						
	A	B	C	B + C	A + B + C	- C	A + B
	Partnership	Funds			Consolidated	NCI	Look-through
	Partnership	NCI	Total				
Net income (loss)	\$7.8	\$0.7	\$2.4	\$3.2	\$11.0	(\$2.4)	\$8.6
Depletion	2.8	2.0	16.3	18.3	21.1	(16.3)	4.8
Depreciation and amortization	0.3	—	—	—	0.3	—	0.3
Interest expense, net	2.0	0.2	1.5	1.7	3.7	(1.5)	2.2
Income tax expense	0.1	—	0.2	0.2	0.2	(0.2)	0.1
Environmental remediation	2.9	—	—	—	2.9	—	2.9
Adjusted EBITDDA	\$15.9	\$2.9	\$20.5	\$23.4	\$39.2	(\$20.3)	\$18.8
Net income (loss)	\$7.8	\$0.7	\$2.4	\$3.2	\$11.0	(\$2.4)	\$8.6
Depletion	2.8	2.0	16.3	18.3	21.1	(16.3)	4.8
Depreciation and amortization	0.3	—	—	—	0.3	—	0.3
Cost of land sold	1.4	—	—	—	1.4	—	1.4
Capitalized development activities	(2.2)	—	—	—	(2.2)	—	(2.2)
Equity based compensation	0.9	—	—	—	0.9	—	0.9
Environmental remediation accruals	2.9	—	—	—	2.9	—	2.9
Environmental remediation cash spend	(1.1)	—	—	—	(1.1)	—	(1.1)
Changes in working capital	0.9	(0.8)	(4.6)	(5.4)	(4.6)	4.6	—
Net cash provided by operating activities	\$13.9	\$1.9	\$14.1	\$16.0	\$29.9	(\$14.1)	\$15.8
Capital expenditures	(1.9)	(0.2)	(1.1)	(1.3)	(3.1)	1.1	(2.0)
Cash available for distribution (CAD)	\$12.0	\$1.7	\$13.0	\$14.7	\$26.8	(\$13.0)	\$13.8

Reconciliation of Non-GAAP Measures

(in \$millions)	Adjusted EBITDDA* by Segment									
	9/30/ 2018 YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
Partnership Timber										
Operating income - internal	\$16.2	\$19.0	\$15.6	\$12.0	\$15.0	\$14.6	\$12.1	\$14.0	\$9.657	\$4.1
Depletion, depreciation, and amortization	2.9	4.1	3.8	2.2	2.6	3.0	3.3	3.5	2.883	2.4
(Gain) loss on timberland sold	-	-	(0.8)	-	-	-	-	-	-	-
Adjusted EBITDDA	\$19.2	\$23.1	\$18.6	\$14.2	\$17.5	\$17.6	\$15.4	\$17.4	\$12.5	\$6.5
Funds Timber										
Operating income (loss) - internal	\$5.2	\$12.2	(\$1.9)	(\$0.9)	\$26.6	(\$0.7)	(\$2.0)	\$0.9	(\$1.3)	(\$1.2)
Depletion, depreciation, and amortization	18.3	15.2	9.1	8.0	10.0	8.1	7.0	8.6	\$2.5	0.0
(Gain) loss on timberland sold	-	(12.5)	(0.2)	1.1	(23.8)	-	-	-	(0.2)	-
Adjusted EBITDDA	\$23.5	\$14.9	\$7.0	\$8.2	\$12.9	\$7.4	\$5.0	\$9.5	\$1.0	(\$1.2)
Timberland Investment Management										
Operating income (loss) - internal	\$0.0	(\$0.2)	\$0.4	(\$0.7)	\$0.4	\$0.3	\$0.2	\$0.4	\$0.1	\$0.4
Depreciation and amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted EBITDDA	\$0.1	(\$0.2)	\$0.4	(\$0.7)	\$0.4	\$0.3	\$0.2	\$0.4	\$0.1	\$0.4
Real Estate										
Operating income (loss) - internal	(\$1.5)	\$4.9	(\$3.4)	\$5.4	(\$2.6)	\$3.4	(\$11.0)	(\$0.3)	(\$0.7)	\$1.7
Depletion, depreciation, and amortization	0.2	0.3	0.4	0.3	0.3	0.7	0.8	0.4	0.2	0.2
Environmental remediation expense	2.9	0.0	7.7	0.0	10.0	0.0	12.5	1.0	0.9	0.0
Adjusted EBITDDA	\$1.6	\$5.2	\$4.7	\$5.7	\$7.7	\$4.2	\$2.3	\$1.1	\$0.4	\$1.9
General & Administrative										
Operating loss - internal	(\$5.0)	(\$5.8)	(\$5.1)	(\$5.1)	(\$3.9)	(\$4.7)	(\$4.2)	(\$4.2)	(\$4.7)	(\$3.7)
Depreciation and amortization	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2
Adjusted EBITDDA	(\$5.0)	(\$5.8)	(\$5.1)	(\$5.0)	(\$3.8)	(\$4.6)	(\$4.1)	(\$4.1)	(\$4.5)	(\$3.5)

Note: Due to rounding, components may not foot or sum to total Adjusted EBITDDA presented elsewhere.

*See Glossary of Terms in Appendix A for definition of non-GAAP "Adjusted EBITDDA".

Historical Harvest Volume, Financial Metrics

(in \$Millions)	9/30/18 YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
Volume (MMBF)										
Partnership	41.0	55.6	57.8	42.6	47.1	48.5	52.1	50.7	42.3	32.5
Consolidated	101.6	111.6	97.3	83.7	97.3	89.3	84.4	90.2	53.0	32.5
Look-through	48.4	61.8	62.8	48.2	54.5	56.4	58.5	58.6	44.4	32.5
Revenue										
Partnership	\$44.3	\$70.1	\$63.2	\$57.5	\$60.1	\$50.4	\$42.1	\$38.4	\$27.5	\$21.6
Consolidated	\$80.9	\$99.8	\$80.4	\$78.0	\$87.5	\$70.7	\$54.0	\$57.3	\$31.2	\$20.5
Look-through	\$48.2	\$73.7	\$65.5	\$60.4	\$64.5	\$54.6	\$45.1	\$42.3	\$28.3	\$21.4
Net income										
Partnership	\$7.8	\$15.4	\$6.2	\$11.2	\$7.5	\$13.3	(\$4.2)	\$8.7	\$2.3	\$—
Consolidated	\$11.0	\$24.4	\$2.0	\$7.5	\$31.9	\$11.7	(\$6.8)	\$8.9	\$0.8	(\$1.2)
Look-through	\$8.6	\$17.9	\$5.9	\$10.9	\$12.4	\$13.1	(\$4.7)	\$8.8	\$2.0	(\$0.3)
EBITDDA										
Partnership	\$13.0	\$22.4	\$11.8	\$14.2	\$11.8	\$17.4	\$1.3	\$13.9	\$6.3	\$3.8
Consolidated	\$36.3	\$49.8	\$19.0	\$21.3	\$48.4	\$24.8	\$6.3	\$23.5	\$7.5	\$2.6
Look-through	\$15.9	\$26.5	\$12.7	\$15.3	\$18.4	\$19.0	\$2.3	\$15.9	\$6.5	\$3.6
Adj EBITDDA*										
Partnership	\$15.9	\$22.4	\$18.7	\$14.2	\$21.8	\$17.4	\$13.8	\$14.9	\$7.2	\$3.9
Consolidated	\$39.2	\$37.2	\$25.7	\$22.4	\$34.6	\$24.8	\$18.8	\$24.4	\$8.2	\$2.7
Look-through	\$18.8	\$24.0	\$19.6	\$15.3	\$23.6	\$19.0	\$14.8	\$16.8	\$7.4	\$3.6

*See Glossary of Terms in Appendix A for definition of non-GAAP "Adjusted EBITDDA".

Historical Financial Metrics

(in \$millions)	9/30/18 YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
CF from ops										
Partnership	\$13.9	\$20.0	\$1.6	\$14.3	\$20.8	\$10.8	\$12.1	\$12.4	\$8.0	\$1.3
Consolidated	\$29.9	\$32.0	\$5.1	\$20.2	\$30.8	\$17.9	\$16.2	\$21.7	\$9.0	\$0.7
Look-through	\$15.8	\$21.3	\$2.1	\$15.1	\$22.2	\$12.3	\$13.0	\$14.2	\$8.2	\$1.2
CAD*										
Partnership	\$12.0	\$18.6	\$0.5	\$13.1	\$19.7	\$9.7	\$11.0	\$11.2	\$8.5	\$1.4
Consolidated	\$26.8	\$29.5	\$3.2	\$17.6	\$28.5	\$15.7	\$14.2	\$19.7	\$9.3	\$0.6
Look-through	\$13.8	\$19.7	\$0.8	\$13.7	\$21.0	\$10.9	\$11.7	\$12.9	\$8.6	\$1.2
Cash										
Partnership	\$1.8	\$1.8	\$1.9	\$6.3	\$14.5	\$5.7	\$2.5	\$0.2	\$0.2	\$6.0
Consolidated	\$7.4	\$3.4	\$2.9	\$9.7	\$24.0	\$7.0	\$3.8	\$2.7	\$2.4	\$7.2
Look-through	\$2.4	\$2.0	\$2.0	\$6.6	\$16.4	\$5.9	\$2.7	\$0.7	\$0.7	\$6.3
Debt										
Partnership	\$89.6	\$70.2	\$73.1	\$27.4	\$32.4	\$32.7	\$32.8	\$34.8	\$50.4	\$29.4
Consolidated	\$146.9	\$127.5	\$130.4	\$84.7	\$89.7	\$75.7	\$43.8	\$45.8	\$50.5	\$29.5
Look-through	\$96.6	\$76.8	\$79.7	\$34.0	\$39.0	\$38.6	\$35.0	\$37.0	\$50.4	\$29.4
Distributions										
Dollars	\$9.6	\$12.2	\$12.2	\$11.7	\$11.0	\$8.9	\$7.5	\$5.3	\$3.2	\$3.2
\$ / unit	\$2.20	\$2.80	\$2.80	\$2.70	\$2.50	\$2.00	\$1.70	\$1.20	\$0.70	\$0.70

*See Glossary of Terms in Appendix A for definition of non-GAAP "CAD".

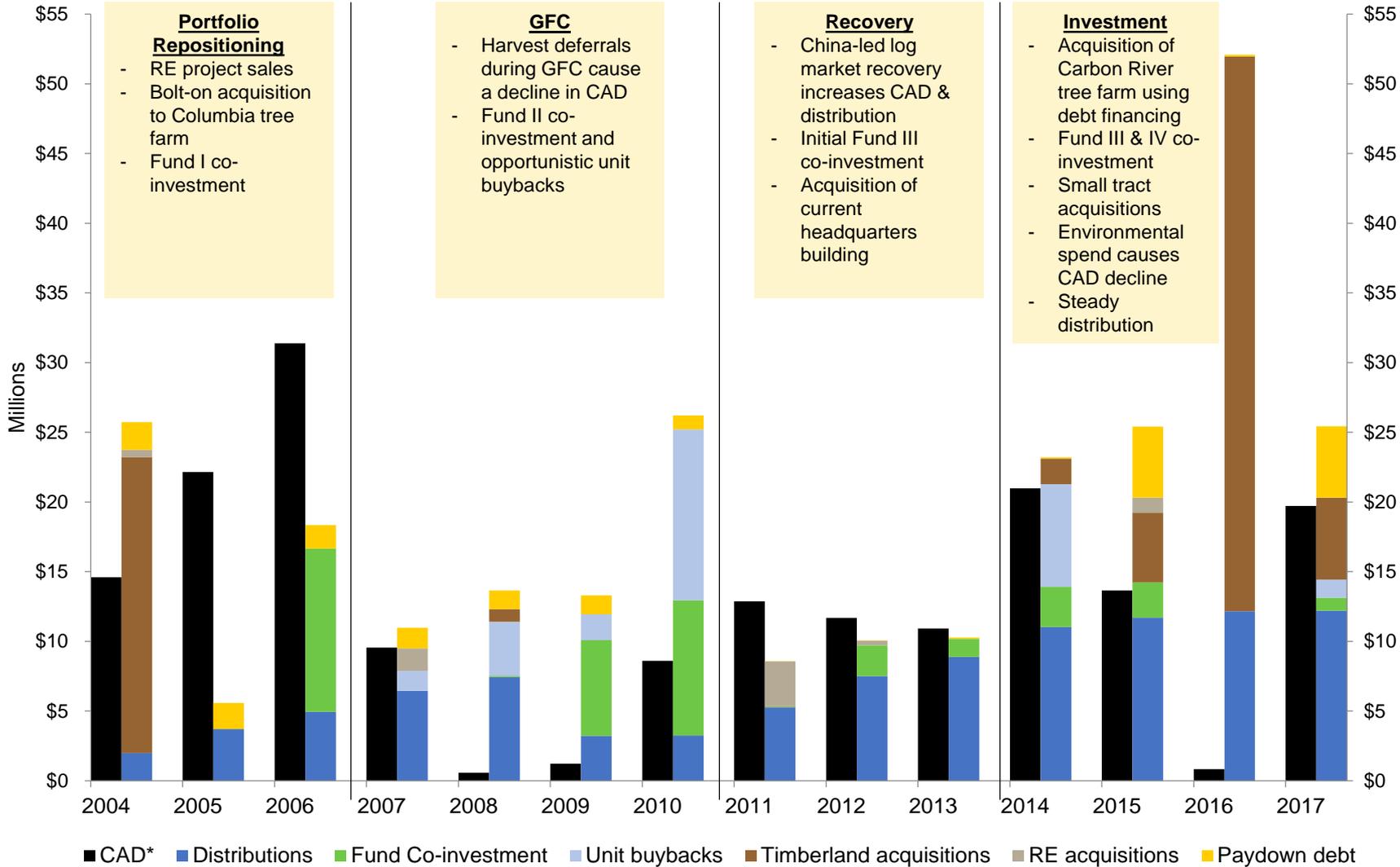
Glossary of Terms

- **Partnership** represents the Partnership on a stand-alone basis, which consists of the ownership and operation of the Hood Canal and Columbia tree farms; the Management of the Funds (but not the ownership or operation thereof); and the ownership and operation of the real estate assets.
- **Consolidated** results are what GAAP require us to report, and represent the ownership and operation of everything owned by the Partnership and the Funds. It further requires the elimination of the fee revenue earned by our Timberland Investment Management segment for managing the Funds and a corresponding elimination of the fee expense incurred in our Funds Timber segment. Consolidation also results in the elimination of the distributions the Partnership receives from the Funds, but these distributions are very real and serve to add to the Partnership's cash balance and/or reduce the Partnership's debt balance.
- **Look-through** represents the Partnership on a stand-alone basis, plus the Partnership's 20% share of Fund II, 5% share of Fund III, and 15% share of Fund IV.
- **Non-controlling interests** represent the portions of the Funds owned by outside investors (i.e., not owned by the Partnership); 80% of Fund II, 95% of Fund III, 85% of Fund IV.
- **Internal** pertains to segment reporting and represents results prior to eliminations that occur in consolidation; the biggest elimination is the fee revenue in Timberland Investment Management and the corresponding fee expense in Funds Timber.
- **Adjusted EBITDDA** is a non-GAAP measure and is reconciled to GAAP in Appendix A. We define Adjusted EBITDDA as earnings before interest, taxes, depletion, depreciation, and amortization (EBITDDA), with additional adjustments that eliminate the gain or loss on timberland sold in the Partnership Timber and Funds Timber segments, and add back environmental remediation expense in the Real Estate segment. We believe Adjusted EBITDDA captures the ongoing operations of each of our segments and is effective in assessing each segment's financial performance.
- **Cash available for distribution (CAD)** is a non-GAAP measure and is reconciled to GAAP in Appendix A. CAD is a measure of cash generated that starts with cash provided by operating activities and subtracts expenditures for maintenance capital. As such, CAD represents cash generated that is available for capital allocation alternatives such as distributions to unitholders, co-investing in the Funds, acquisition of timberland and real estate, buying back units, or paying down debt.

Appendix B

Additional Materials

Opportunistic Capital Allocation



*See Glossary of Terms in Appendix A for definition of non-GAAP "CAD".

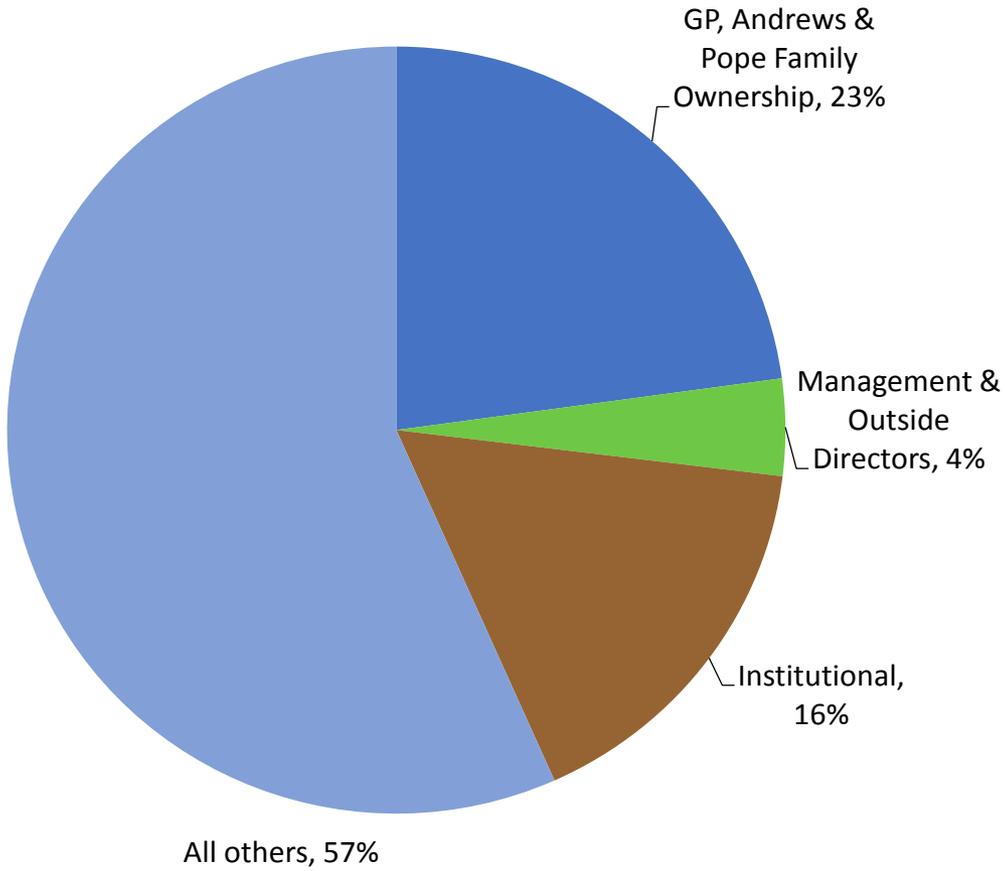
Ownership Detail

General Partners

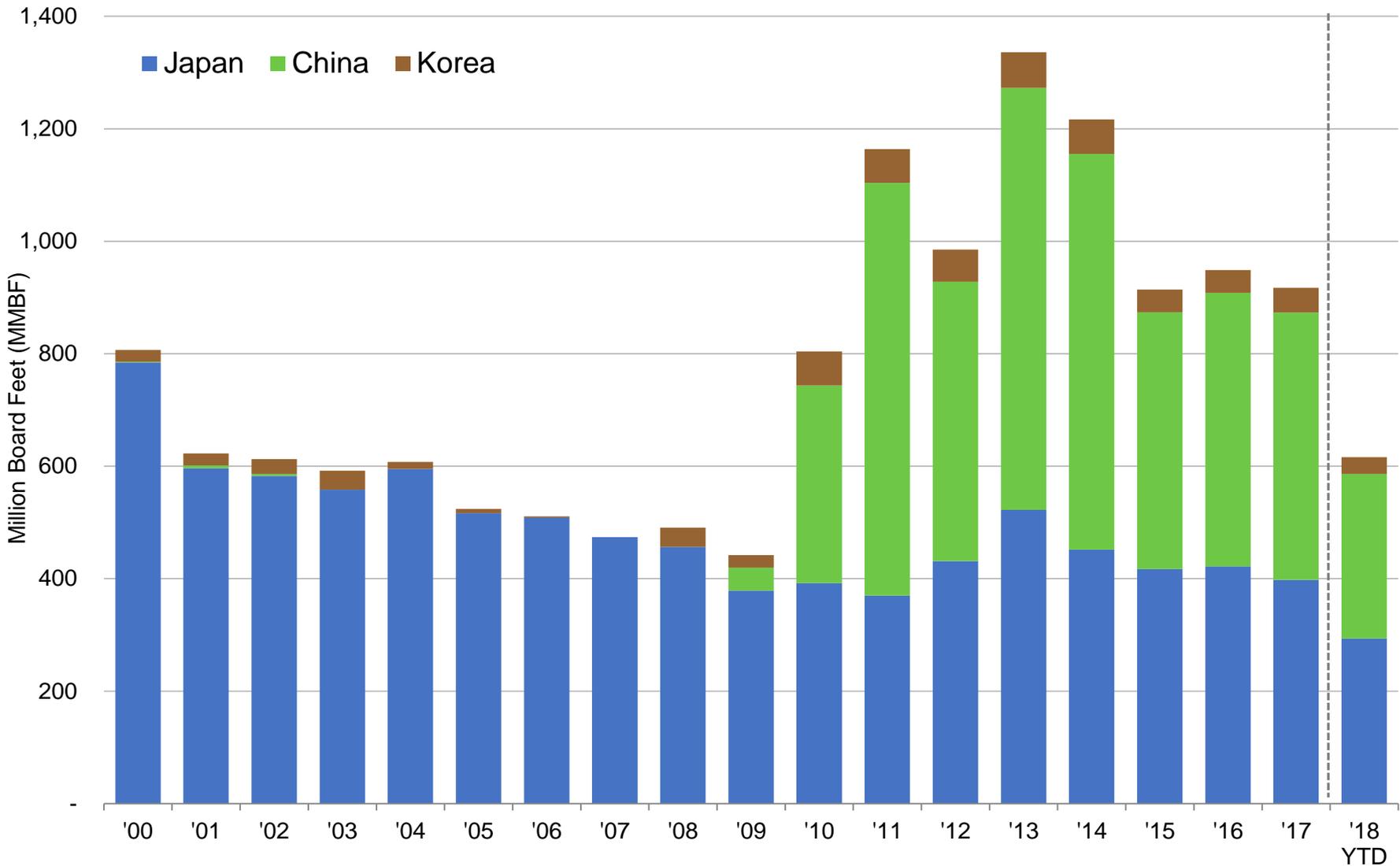
- Two corporate GPs collectively own 1.4% of Pope Resources
- Each of the GPs are owned 50/50 by Pope and Andrews families
- \$150,000/year management fee, unchanged since spinoff

Limited Partners

- Family, GP, Management, and outside Director ownership of 27% demonstrates alignment of interest
- Institutional ownership of 16%
- 57% held by retail investors



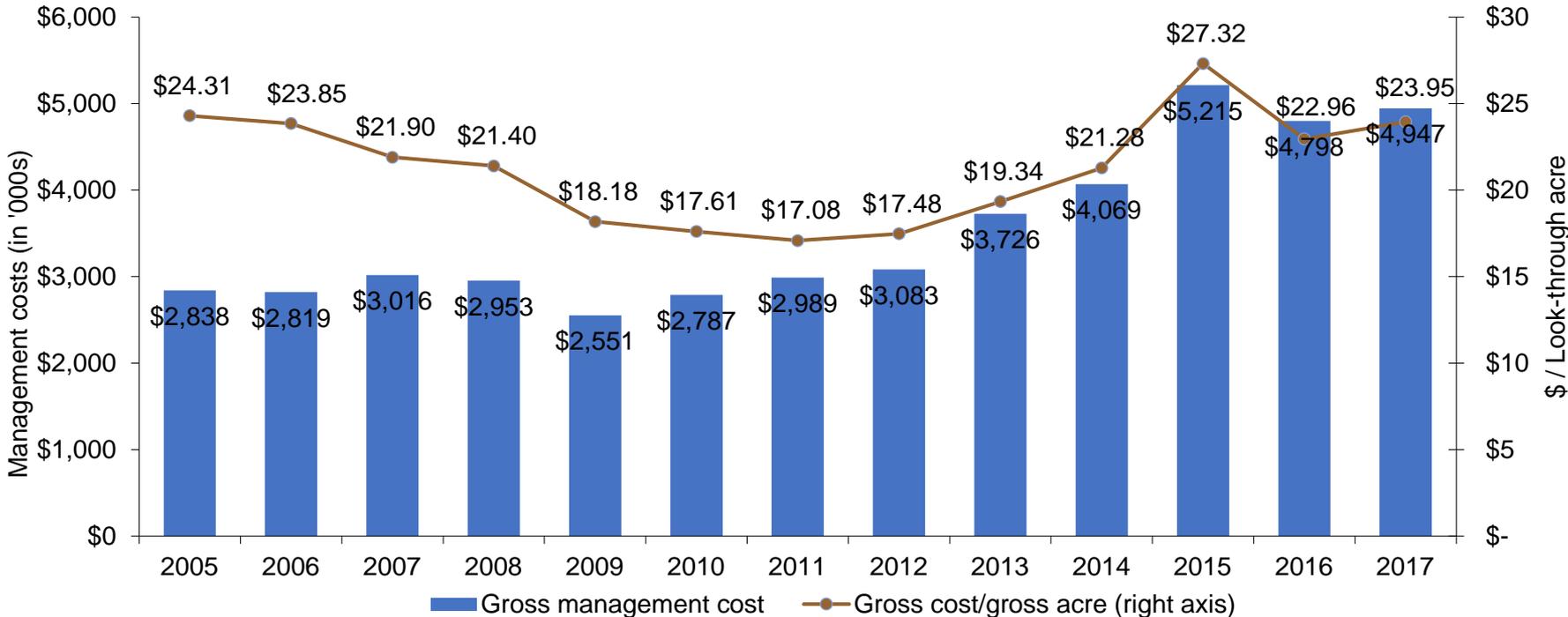
Log Exports from Pacific Northwest



Source: Jones Stevedoring Company, data through 9/30/2018

Economies of Scale: Nominal Management Costs

- Placement of Fund I and II capital (2006-10) reduced per acre management costs
- Investments in processes and systems outpaced acres acquired with Fund III capital (2012-15)
- Following Mashel (4Q-15) and Carbon River (3Q-16) acquisitions, per acre management cost is now below level prior to launch of PE Timber business



Pacific Northwest Transactions 2015-Current

Property	Seller	Buyer	Acres (000's)	Value (\$MM)	\$/Acre
2015					
WA - Olympic Peninsula	Rayonier	Hoh River Trust	3	\$7	\$2,200
OR – Scappoose	BTG Pactual	Rayonier	6	\$34	\$6,103
WA - Murray Pacific	Murray Pacific	Sierra Pacific	54	\$189	\$3,500
WA – Nisqually	Conservation Forestry	Hampton Affiliates	13	\$52	\$4,105
WA - Mashel TWR	Conservation Forestry	Hampton Affiliates	5	\$25	\$4,967
WA – Snoqualmie	HTRG	Campbell Global	100	\$420	\$4,189
WA – Mashel	HTRG	ORM Timber Fund III	15	\$51	\$3,337
2016					
OR/WA – Menasha	Campbell Global	Rayonier	61	\$263	\$4,311
OR/WA – Menasha	Campbell Global	FIA	71	\$296	\$4,180
WA – Coastal	Rayonier	FIA	55	\$130	\$2,364
WA - Carbon River	HTRG	Pope Resources	7	\$32	\$4,356
WA – Willapa	HTRG	Greenwood Resources	8	\$31	\$3,735
WA - Wallace Falls	Campbell Global	Sierra Pacific Industries	12	\$52	\$4,493
WA - Cedar River	Green Diamond	Conservation Forestry	18	\$53	\$3,003
OR – Rosboro	Rosboro	Campbell Global	93	\$341	\$3,656
2017					
OR – Rockaway	ORM Timber Fund II	Greenwood Resources	6	\$27	\$4,108
WA – Elkhorn	HTRG	Greenwood Resources	9	\$26	\$2,940
OR - Indian Hills	Indian Hills	HTRG	53	\$108	\$2,038
WA - Stewart Mountain	Non-industry	Conservation Forestry	15	\$41	\$2,712
WA – Tahoma	HTRG	Hampton Affiliates	7	\$36	\$5,229
WA - Tilton	FIA	BTG	12	\$43	\$3,626
2018					
OR – Perpetua	Perpetua Forests	ORM Timber Fund IV	20	\$34	\$1,680
WA - Pinchot North	HTRG	ORM Timber Fund IV	17	\$80	\$4,763
WA - Pinchot South	HTRG	Hampton Affiliates	16	\$73	\$4,497
OR - Bandon	FIA	CatchMark	18	\$88	\$4,894
OR - Scappoose II	BTG Pactual	Weyerhaeuser	2	\$19	\$8,003
WA - Issaquah	HTRG	ORM Timber Fund IV	9	\$32	\$3,443
4-Year Total			705	\$2,583	\$3,658

Source: ORM, Timberland Markets Report, ForestWeb, Public Announcements