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ANNUAL AUDIT REPORT

JANUARY 1, 2014 - DECEMBER 31, 2014



Established 1953 Issues Per Year: 6 Issues This Report: 6 HATTON-BROWN PUBLISHERS, INC. 225 Hanrick Street
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PUBLICATION DESCRIPTION

Published six times per year, *TIMBER HARVESTING & WOOD FIBER OPERATIONS* encompasses inwood operations, including logging, land clearing, biomass processing, fiber procurement and related activities. The magazine primarily serves the U.S. market, supported by an editorial staff that has more than 100 years of combined experience writing about this industry.

FIELD SERVED/DEFINITION OF RECIPIENT QUALIFICATION

TIMBER HARVESTING & WOOD FIBER OPERATIONS serves the U.S. logging industry including logging firms and contractors, woodlands operations of pulp and paper companies, timber buyers or brokers, forest and land management, silviculture operations, land clearing/grooming/grinding contractors, wood refuse grinding contractors, right-of-way clearing contractors, logging machinery/equipment/supplies manufacturers and machinery distributors and others allied to the field.

AVERAGE BIMONTHLY CIRCULATION: JANUARY 1, 2014 - DECEMBER 31, 2014

| QUALIFIED CIRCULATION | Non-Paid | Paid | Total |
|-----------------------------------|----------|------|--------|
| Individual Subscription | 11,914 | 51 | 11,965 |
| Association/Group/Directory Lists | 6,561 | - | 6,561 |
| Rotated | 441 | - | 441 |
| Bulk Distribution | - | - | - |
| Single Copy Sales | - | - | - |
| TOTAL QUALIFIED CIRCULATION | 18,916 | 51 | 18,967 |

| NON-QUALIFIED CIRCULATION | Non-Paid | Paid | Total |
|-------------------------------------|----------|------|-------|
| Advertiser/Agency | 271 | - | 271 |
| Sales/File/Office/Return/Other | 424 | - | 424 |
| Trade Show/Convention/Special Event | 233 | - | 233 |
| TOTAL NON-QUALIFIED CIRCULATION | 928 | - | 928 |

| TOTAL PRINTED 1 |
|-----------------|
|-----------------|

Please see the following pages for Recipient Classification, Subscription Source, Recency of Renewal, Geographical Distribution, Business/Industry and Job Title Classification, Qualified Circulation by Issue, Explanation, Audit of Internal Records, and Affidavit.

RECIPIENT CLASSIFICATION

| RECIPIENT | Non-Paid | Paid | Total | Percent |
|---|----------|------|--------|---------|
| Individual by Name and Title and/or Company | 18,517 | 39 | 18,556 | 99.5% |
| Individual by Name Only | 17 | 6 | 23 | 0.1% |
| Title Only | - | - | - | - |
| Company Name Only | 70 | 6 | 76 | 0.4% |
| Total Qualified Circulation | 18,604 | 51 | 18,655 | 100.0% |
| Non-Qualified Circulation | 720 | - | 720 | |
| TOTAL PRINTED | | - | 19,375 | |

SUBSCRIPTION SOURCE AND RECENCY OF RENEWAL

| | | | Renewed, Requested, or Updated Within | | | | | |
|-----------------------------------|----------|------|--|---------|---------|----------|--------|---------|
| RECIPIENT | Non-Paid | Paid | 1 Year | 2 Years | 3 Years | 3+ Years | Total | Percent |
| Direct Request from the Recipient | 13,236 | 19 | 9,039 | 4,216 | - | N/A | 13,255 | 71.1% |
| Request from Recipient's Company | 6 | 32 | 33 | 5 | - | N/A | 38 | 0.2% |
| Association/Group/Directory Lists | 5,362 | - | 3,531 | 1,282 | 549 | N/A | 5,362 | 28.7% |
| Total Qualified Circulation | 18,604 | 51 | 12,603 | 5,503 | 549 | - | 18,655 | 100.0% |
| Non-Qualified Circulation | 720 | - | | | | | 720 | |
| TOTAL PRINTED | | | | | | | 19,375 | |

U.S. GEOGRAPHICAL DISTRIBUTION

| REGION | Non-Paid | Paid | Total | Percent | REGION | Non-Paid | Paid | Total | Percent |
|----------------|----------|------|-------|---------|---------------------|----------|------|--------|---------|
| Maine | 377 | - | 377 | 2.0% | Kentucky | 1,763 | 1 | 1,764 | 9.5% |
| New Hampshire | 172 | - | 172 | 0.9% | Tennessee | 713 | 3 | 716 | 3.8% |
| Vermont | 139 | - | 139 | 0.7% | Alabama | 1,130 | 1 | 1,131 | 6.1% |
| Massachusetts | 87 | - | 87 | 0.5% | Mississippi | 1,076 | - | 1,076 | 5.8% |
| Rhode Island | 7 | - | 7 | - | E. S. Central | 4,682 | 5 | 4,687 | 25.1% |
| Connecticut | 48 | - | 48 | 0.3% | Arkansas | 647 | 1 | 648 | 3.5% |
| New England | 830 | - | 830 | 4.4% | Louisiana | 448 | 1 | 449 | 2.4% |
| New York | 309 | 4 | 313 | 1.7% | Oklahoma | 86 | 1 | 87 | 0.5% |
| New Jersey | 22 | 3 | 25 | 0.1% | Texas | 453 | - | 453 | 2.4% |
| Pennsylvania | 393 | 2 | 395 | 2.1% | W. S. Central | 1,634 | 3 | 1,637 | 8.8% |
| Mid Atlantic | 724 | 9 | 733 | 3.9% | Montana | 149 | - | 149 | 0.8% |
| Delaware | 11 | - | 11 | 0.1% | Idaho | 180 | 2 | 182 | 1.0% |
| Maryland | 124 | - | 124 | 0.7% | Wyoming | 22 | - | 22 | 0.1% |
| D.C. | 1 | - | 1 | - | Colorado | 42 | 1 | 43 | 0.2% |
| Virginia | 927 | 1 | 928 | 5.0% | New Mexico | 11 | - | 11 | 0.1% |
| West Virginia | 239 | 1 | 240 | 1.3% | Arizona | 14 | 1 | 15 | 0.1% |
| North Carolina | 1,167 | 1 | 1,168 | 6.3% | Utah | 13 | 1 | 14 | 0.1% |
| South Carolina | 617 | 2 | 619 | 3.3% | Nevada | 2 | - | 2 | - |
| Georgia | 1,676 | 3 | 1,679 | 9.0% | Mountain | 433 | 5 | 438 | 2.3% |
| Florida | 597 | 2 | 599 | 3.2% | Alaska | 17 | - | 17 | 0.1% |
| S. Atlantic | 5,359 | 10 | 5,369 | 28.8% | Washington | 1,056 | 1 | 1,057 | 5.7% |
| Ohio | 326 | 1 | 327 | 1.8% | Oregon | 530 | 1 | 531 | 2.8% |
| Indiana | 86 | - | 86 | 0.5% | California | 172 | 1 | 173 | 0.9% |
| Illinois | 58 | - | 58 | 0.3% | Hawaii | 4 | - | 4 | - |
| Michigan | 350 | 1 | 351 | 1.9% | Pacific | 1,779 | 3 | 1,782 | 9.6% |
| Wisconsin | 409 | 1 | 410 | 2.2% | U.S. Territories | 1 | - | 1 | - |
| E. N. Central | 1,229 | 3 | 1,232 | 6.6% | U.S. Total | 17,243 | 39 | 17,282 | 92.6% |
| Minnesota | 338 | 1 | 339 | 1.8% | Canada | 28 | 6 | 34 | 0.2% |
| Iowa | 42 | - | 42 | 0.2% | Foreign | 1,333 | 6 | 1,339 | 7.2% |
| Missouri | 135 | - | 135 | 0.7% | Foreign Total | 1,361 | 12 | 1,373 | 7.4% |
| North Dakota | 2 | - | 2 | - | | | | | |
| South Dakota | 28 | - | 28 | 0.2% | | | | | |
| Nebraska | 12 | - | 12 | 0.1% | Total Qualified | 18,604 | 51 | 18,655 | 100.0% |
| Kansas | 15 | - | 15 | 0.1% | Total Non-Qualified | 720 | - | 720 | _ |
| W. N. Central | 572 | 1 | 573 | 3.1% | TOTAL PRINTED | _ | | 19,375 | _ |

BUSINESS/INDUSTRY AND JOB TITLE CLASSIFICATION

| | - | | | - | Supervisory | Technical | - | | |
|--|----------|------|--------|------------|-------------|-----------|-------|--------|---------|
| PRIMARY BUSINESS | Non-Paid | Paid | Corp. | Operations | Personnel | Support | Other | Total | Percent |
| Logging Firms & Contractors | 14,776 | - | 10,408 | 718 | 447 | 2,647 | 556 | 14,776 | 79.2% |
| Woodlands Operations of Pulp & Paper Companies | 235 | - | 29 | 94 | 7 | 97 | 8 | 235 | 1.3% |
| 3. Timber Buyers or Brokers | 916 | - | 443 | 257 | 15 | 164 | 37 | 916 | 4.9% |
| 4. Forest & Land Management | 865 | - | 411 | 166 | 25 | 220 | 43 | 865 | 4.6% |
| 5. Silviculture Operations | 37 | - | 26 | 5 | = | 4 | 2 | 37 | 0.2% |
| 6. Land Clearing/Grooming Contractor | 209 | - | 150 | 13 | 11 | 23 | 12 | 209 | 1.1% |
| 7. Wood Refuse Grinding Contractor | 27 | - | 16 | 5 | 2 | 4 | - | 27 | 0.1% |
| 8. Right-of-Way Clearing Contractor | 50 | - | 31 | 2 | 7 | 8 | 2 | 50 | 0.3% |
| Subtotal 1-8 | 17,115 | - | 11,514 | 1,260 | 514 | 3,167 | 660 | 17,115 | 91.7% |
| Machinery Manufacturers | 225 | - | 63 | 85 | 3 | 47 | 27 | 225 | 1.2% |
| 10. Machinery Distributors, Dealers | 390 | - | 129 | 149 | 8 | 61 | 43 | 390 | 2.1% |
| 11. Others Allied to the Field | 325 | - | 164 | 53 | 11 | 81 | 16 | 325 | 1.7% |
| Not Classified | 549 | 51 | 6 | 1 | - | 1 | 592 | 600 | 3.2% |
| Total Qualified Circulation | 18,604 | 51 | 11,876 | 1,548 | 536 | 3,357 | 1,338 | 18,655 | 100.0% |
| Total Non-Qualified Circulation | 720 | - | | | | | | 720 | |
| TOTAL PRINTED | | | | - | - | - | | 19,375 | _ |

Description – Timber Harvesting & Wood Fiber Operations

Corporate Management & Owners (Corp.) includes chairmen, owners, partners, presidents, vice presidents, CEOs, CFOs, COOs, general managers, and executive directors. Operations Management (Operations) includes operations managers, department managers, and superintendents. Supervisory Personnel includes supervisors, foremen and lead personnel. Technical Support includes engineers, foresters and equipment operators. Other includes human relations, and other titled and non-titled personnel.

City State

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QUALIFIED CIRCULATION BY ISSUE

| ISSUE | Non-Paid | Paid | Total |
|------------------------|----------|------|--------|
| January/February 2014 | 19,073 | 51 | 19,124 |
| March/April 2014 | 19,797 | 50 | 19,847 |
| May/June 2014 | 18,653 | 50 | 18,703 |
| July/August 2014 | 18,599 | 50 | 18,649 |
| September/October 2014 | 18,765 | 51 | 18,816 |
| November/December 2014 | 18,604 | 51 | 18,655 |
| 6 Month Average | 19,174 | 50 | 19,225 |
| 12 Month Average | 18,916 | 51 | 18,967 |

EXPLANATION

Publisher is not required to submit data for all paragraphs/tables. This report does not include an analysis of Additions and Removals by Issue.

Data(s) Attended

Trade Show/Special Event Distribution Locations:

| | Date(s) Attended | City, State | # of Copies |
|--|---------------------|-------------------|-------------|
| Oregon Logging Conference | 02/20/14 - 02/22/14 | Portland, OR | 200 |
| World Bioenergy 2014 | 06/03/14 - 06/05/14 | Jonkoping, Sweden | 100 |
| Interforst 2014 | 07/16/14 - 07/20/14 | Munich, Germany | 200 |
| Finn Metko 2014 | 08/28/14 - 08/30/14 | Jamska, Finland | 100 |
| Great Lakes Logging & Heavy Equipment Expo | 09/05/14 - 09/06/14 | Oshkosh, WI | 250 |
| Mid-South Forestry Show | 09/19/14 - 09/20/14 | Starkville, MS | 250 |
| American Logger's Council Annual Meeting | 09/25/14 - 09/27/14 | Harris, MI | 100 |
| Timber Processing & Energy Expo | 10/15/14 – 10/17/14 | Portland, OR | 100 |
| Expobioenergia | 10/21/14 — 10/23/14 | Valladolid, Spain | 100 |
| TOTAL | | | 1,400 |

Audit of Records and Affidavit

Verified has conducted an audit of printing, distribution, and financial records, as well other data to substantiate circulation data submitted to Verified. This audit followed guidelines prepared in conformity with generally accepted circulation auditing procedures involving records covering all distribution methods utilized for qualified circulation during the period(s) covered by the reports. The results of this audit warrant the issuance of this audit report as a true and accurate statement of the qualified circulation of the client publication.

Verified Audit Circulation swears that to the best of its knowledge, all statements contained in this report are true and accurate.