

BUCKEYE TECHNOLOGIES INC.
CORPORATE GOVERNANCE GUIDELINES

The Buckeye Technologies Inc. (the “Company”) Board of Directors (the “Board”) has adopted these guidelines to reflect the Company’s commitment to good corporate governance, and to comply with New York Stock Exchange and other legal requirements. In furtherance of these goals the Board has adopted a Code of Business Conduct and Ethics and written charters for each of its Nominating and Corporate Governance Committee, Compensation Committee and Audit Committee. The Nominating and Corporate Governance Committee will periodically review these guidelines and propose modification to the Board for consideration as appropriate.

I. Director Responsibilities

A. Basic Responsibilities

The Company’s business is conducted by its employees, managers and officers, under the direction of the Chief Executive Officer and the oversight of the Board, to enhance the long-term value of the Company for its stockholders. The Board is the ultimate decision-making and oversight body of the Company, except with respect to matters reserved to the stockholders. The directors are charged with the responsibility of exercising their fiduciary duty to act in the best interests of the Company and its stockholders. The Board selects and oversees members of executive management who have the authority and responsibility for the conduct of the day-to-day operations of the business.

The basic responsibility of the directors is to act in good faith and with due care so as to exercise their business judgment on an informed basis in what they reasonably and honestly believe to be in the best interests of the Company and its stockholders. In discharging that obligation, the directors should inform themselves of all relevant information reasonably available to them. Directors should exhibit high standards of integrity and commitment and should devote sufficient time and energy to diligently perform their duties, including attending Board and Committee meetings and reviewing materials in advance of the meetings.

B. Board, Committee and Annual Stockholder Meetings

Directors are expected to prepare for and use reasonable efforts to participate in Board meetings and meetings of committees on which they serve. The Board and each committee will meet as frequently as necessary to properly discharge their responsibilities, provided that the full Board will meet at least four times per year. In addition, when the annual stockholders meeting is held on the same day as a Board meeting, directors are expected to use reasonable efforts to attend the annual stockholders meeting.

The Chair, in conjunction with the Presiding Director, will prepare the agenda for each Board meeting. While the Chair of the Board will set the agenda initially, each director is free to suggest the inclusion of items on the agenda.

Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should, to the extent practical, be distributed in writing to the directors sufficiently in advance of the meeting to permit meaningful review. Directors are expected to review in detail the provided materials in advance of each meeting.

C. Meetings of Non-Management Directors

The non-management directors will meet without executive directors at regularly scheduled executive sessions at least twice per year and at such other times as they deem appropriate. In addition, the independent directors of the Company will meet in executive session at least once annually.

The non-management directors will designate a director from among their number to preside at all executive sessions of the non-management directors.

In order to facilitate the ability of interested parties to communicate with and make their concerns known to the non-management directors on a confidential basis, the non-management directors will establish a mailing address to which such communications may be sent and publish the address in the Company's annual proxy statement and on the Company's website.

D. Board Interaction with Institutional Investors, Research Analysts and the Media

The Board believes that senior management speaks for the Company. Directors may, from time to time, be contacted by institutional investors, other stockholders, sellers of businesses, merger partners, governmental or community officials, analysts, the press or others to comment on or discuss the business of the Company. Directors will refrain from communicating with any of the foregoing and will direct such communication or inquiries through the Chief Executive Officer. Directors will maintain the confidentiality of information about the Company learned through their service on the Company's Board. Directors acknowledge that they are expressly included in the group of issuer personnel subject to the Securities and Exchange Commission's Regulation FD.

E. Communications with Stockholders

In addition to providing a means for communicating with non-management directors, the Company will establish an electronic mailing address and a physical mailing address to which stockholders may communicate their views regarding the Company to the entire Board and the Company will publish the addresses in the Company's annual proxy statement and on the Company's website. The Company's processes for collecting and organizing stockholder communications to the Board should be approved by a majority of independent directors.

F. Conflicts of Interest and Related Person Transactions; Corporate Opportunities.

Procedures for the review and preapproval of related person transactions are set forth in the policy attached hereto as Appendix A. If a director develops an actual or potential conflict of interest with the Company that is not covered by the attached policy, the director should immediately notify the Company's General Counsel or the General Counsel's designee of all material facts and circumstances regarding the conflict. Any significant conflict must be resolved, or the director should resign. In addition, if a director becomes aware of a corporate opportunity that could benefit the Company, the director must first present the opportunity to the Board for consideration and not attempt to personally profit from the opportunity unless the Company declines to pursue it.

G. Board Risk Oversight.

The Board has ultimate responsibility for risk oversight. While management has day-to-day responsibility for assessing and managing the Company's risk exposure, the Board and its committees provide oversight in connection with those efforts, with particular focus on ensuring that the Company's risk management practices are adequate and regularly reviewing the most significant risks facing the Company. The Board has delegated to each of its committees responsibility for the oversight of specific risks that fall within the committee's areas of responsibility.

H. Compliance and Ethics.

The Board is responsible for monitoring the Company's compliance with legal and regulatory requirements and overseeing the implementation and effectiveness of the Company's compliance and ethics programs. From time to time the Board may delegate portions of this responsibility to one or more of the Board's committees. In furtherance of this responsibility, the Board or the applicable Board committee will periodically discuss compliance and ethics with the Company's General Counsel or his or her designees and will periodically review the Company's Code of Business Conduct and Ethics.

II. Composition and Selection of the Board

A. Size of the Board

The Company's charter provides that the Company will not have more than fifteen directors. The current size of the Board is nine. The Board will assess its size from time to time to determine whether its size continues to be appropriate.

B. Board Composition and Membership Criteria

The Board will have a majority of directors who meet the criteria for independence required by the New York Stock Exchange and applicable law. The Board will

monitor its compliance with the legal and New York Stock Exchange requirements for director independence on an ongoing basis. Each independent director is expected to notify the Chair of the Nominating and Corporate Governance Committee, as soon as reasonably practicable, in the event that his or her personal circumstances change in a manner that may affect the Board's evaluation of such director's independence.

The Nominating and Corporate Governance Committee is responsible for reviewing with the Board, on an annual basis, the composition of the Board as a whole, and whether the Company is being well served by the directors taking into account the director's independence, age, skills, experience, diversity and availability for service to the Company.

The Nominating and Corporate Governance Committee will recommend director nominees to the Board in accordance with the policies and principles in its Charter and any other procedures or criteria it may establish from time to time. The Nominating and Corporate Governance Committee will review all candidates for nomination to the Board submitted by stockholders and shall periodically review the company's procedures for stockholder nominations of directors. In furtherance of such stockholder action, the Company shall designate in its proxy and on its website a means for stockholders to recommend director nominees to the Nominating and Corporate Governance Committee. The invitation to join the Board should be extended by the Chair of the Board.

C. Membership on Other Boards

Directors should not serve on more than three other boards of public companies in addition to the Board. A director who accepts or intends to accept a directorship with another public company that the director did not hold when such director was most recently elected to the Board shall notify the chairperson of the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee will consider in the course of its nomination process whether a person's service on other boards or board committees may impair the person's ability to effectively serve as a director of the Company.

D. Changes in Current Job Responsibility

Directors, including employee directors, who retire from or change the job or the principal responsibility they held when they were selected for the Board will submit their resignation from the Board and each Board Committee on which such director serves in order to give the Board an opportunity, through the Nominating and Corporate Governance Committee, to review whether it is appropriate for such director to continue to be a member of the Board under these circumstances.

E. Term Limits

The Board has not established any term limits to an individual's membership on the Board. As an alternative to term limits, the Nominating and Corporate Governance Committee will, as part of its annual assessment of the composition of the Board, review a director's continuation on the Board.

F. Offices of Chairman of the Board and Chief Executive Officer

The Board selects the Company's chief executive officer and the chairman of the Board in the manner that the Board determines to be in the best interests of the Company's stockholders. The Board does not have a policy as to whether the chairman should be an independent director, an affiliated director, or a member of management. The Board believes that the Board should continue to exercise its business judgment in determining whether to combine or to separate the positions of chairman of the board and chief executive officer as the Board deems appropriate in light of prevailing circumstances. The Board believes that the combination or separation of these offices should be considered as part of the succession planning process.

III. Board Committees

A. Composition and Responsibilities

The Board will have at all times an Audit Committee, a Compensation Committee, a Nominating and Corporate Governance Committee, and any other committees the Board deems appropriate. All of the members of the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee will be independent directors under the criteria for independence required by law and the New York Stock Exchange. The members of the Compensation Committee, the Nominating and Corporate Governance Committee, and the Audit Committee will be appointed by the Board upon recommendation of the Nominating and Corporate Governance Committee based on each committee's member qualification standards. Consideration should be given to the desires, skills and characteristics of individual directors. The Board will appoint the Chair of each committee.

B. Charters

The Board has adopted charters setting forth the purposes, goals and responsibilities of each of the Audit Committee, Compensation Committee, Nominating and Corporate Governance Committee and any other committees the Board deems appropriate, as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board.

C. Committee Meetings

The chairpersons of the various committees, in consultation with the committee members, shall determine the frequency and length of committee meetings. The chairperson of each committee, in consultation with appropriate Company officers, will establish the agenda for each committee meeting. Committee members and other directors may suggest the addition of any matter to the agenda for any committee meeting upon reasonable notice to the committee chairperson.

To the extent practicable, information regarding matters to be considered at committee meetings will be distributed to committee members a reasonable period of time before such meetings. Each committee chairperson may designate an individual of his or her choice to act as secretary at, and to record the minutes of, committee meetings. The chairperson of each committee will report on the activities of the committee to the Board or as otherwise provided in its charter following committee meetings. Upon approval of the minutes, the committee chairperson will sign the minutes, which will be maintained by the Company's Secretary.

IV. Director Access to Officers, Employees and Independent Advisors

A. Access to Management and Employees

Directors have full and unrestricted access to officers and employees of the Company.

B. Access to Independent Advisors

The Board and each committee have the power to hire independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance. The Company will provide sufficient funding to the Board and to each committee, as determined by the Board and each of its committees, to exercise their functions and provide compensation for the services of their advisors and, in the case of the Audit Committee, independent auditors.

C. Internal Reporting

The Audit Committee will encourage submission, and establish procedures for the confidential treatment by the appropriate officers, under the supervision of the Audit Committee, of complaints and concerns by officers and employees regarding accounting and auditing matters and of reports regarding alleged violations of the Company Code of Business Conduct and Ethics or other Company policies or law.

The senior executives of the Company are encouraged to initiate direct contact with the Chairman of the Board, the Presiding Director, or the Chair of the Audit Committee if they believe that there is a matter that should be brought to the attention of the Board.

V. Director Orientation and Continuing Education

All new directors should be provided with these Corporate Governance Guidelines and will participate in the Company's orientation initiatives as soon as practicable after their election or appointment to the Board. The initiatives will include presentations by senior management and outside advisors as appropriate to familiarize new directors with the Company's business, its strategic plans, its significant financial, accounting and risk management issues and its compliance programs as well as their fiduciary duties and

responsibilities as directors. All other directors are also invited to attend any orientation initiatives.

The Nominating and Corporate Governance Committee and members of senior management of the Company as well as appropriate outside advisors will periodically report to the Board on any significant developments in the law and practice of corporate governance and other matters relating to the duties and responsibilities of directors in general.

VI. Director Compensation

The Compensation Committee will periodically review and recommend, and the Board will approve, the form and amount of director compensation in accordance with the corporate policies and principles relevant to director compensation. It is the Company's policy that a significant portion of director compensation be in the form of Company stock or equity-based awards. The Board will consider that directors' independence may be jeopardized if director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which a director is affiliated, or if the Company enters into consulting contracts with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

VII. CEO Evaluation and Management Succession

The Compensation Committee will review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer and the President/Chief Operating Officer, evaluate their performance based on these goals and objectives and have sole authority to determine their compensation level based on this evaluation. The Board of Directors will review the Compensation Committee's report in order to ensure that the Chief Executive Officer and the President/Chief Operating Officer are providing the necessary leadership for the Company in the long- and short-term.

The Nominating and Corporate Governance Committee will report to the Board at least annually on succession planning for the Chair/Chief Executive Officer and the President/Chief Operating Officer. The Board will work with the Nominating and Corporate Governance Committee to evaluate and, as necessary, nominate a successor to the Chair/Chief Executive Officer and the President/Chief Operating Officer. The Chief Executive Officer should at all times make available to the Board his or her recommendations and evaluations of potential successors to his own and other senior management positions, including in the event of an unexpected emergency, along with a review of any development plans recommended for such individuals.

VIII. Annual Performance Evaluation

The Nominating and Corporate Governance Committee, on behalf of the Board, will conduct an annual evaluation of the Board, of each individual director, and of each committee to determine whether each of them is functioning effectively, and will submit a report to the full Board at the end of the review. The review will be discussed with the full Board following the submission of the report.

The assessment will focus on the contribution to the Company by the Board, by each individual director and by each committee, and will specifically focus on areas in which the Nominating and Corporate Governance Committee believes a better contribution could be made. The Nominating and Corporate Governance Committee will establish the criteria to be used in such evaluations.

IX. Director Insurance, Indemnification and Exculpation

The Company intends to, and the directors will be entitled to have the Company, purchase reasonable directors' and officers' liability insurance on behalf of the directors to the extent reasonably available. In addition, the directors will receive the benefits of indemnification provided by the Company's Certificate of Incorporation, By-laws and any indemnification agreements, as well as the provisions regarding absence of personal liability contained in the Company's Certificate of Incorporation.

X. Minimum Share Ownership Requirements of Directors

The Board has established a minimum share ownership requirement for directors to affect a stronger alignment of interests between the Board and that of stockholders. Directors have five years from the later of the date the Board adopted the guidelines and the date elected or appointed to the Board to accumulate the required stock ownership. For the purpose of these guidelines, stock ownership includes shares over which an individual has direct or indirect ownership or control, including restricted stock, but does not include unexercised stock options. Directors are required to comply with the minimum share ownership guidelines.

XI. Annual Review of Corporate Governance Guidelines

The Nominating and Corporate Governance Committee will reevaluate periodically these Corporate Governance Guidelines and recommend to the Board such revisions as it deems necessary or appropriate.

XII. Public Disclosure

The Company will make publicly available its Code of Business Conduct and Ethics, these Corporate Governance Guidelines and the charters of the standing committees appointed by the Board at such times and in such manner as required by law or by the principal exchange on which the Company's common stock is listed.